Supreme Court, U.S.
FILED

(1)

031588 MAY 24 2004

No. 03-

OFFICE OF THE CLERK

IN THE

# Supreme Court of the United States

MINKA LIGHTING, INC.,

*Petitioner,*

*v.*

CRAFTMADE INTERNATIONAL, INC.,

*Respondent.*

**ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT**

## PETITION FOR A WRIT OF CERTIORARI

PATRICK L. O'DANIEL
JENKENS & GILCHRIST,
A PROFESSIONAL CORPORATION
2200 One American Center
600 Congress Avenue
Austin, Texas 78701
(512) 499-3800

JERRY R. SELINGER
*Counsel of Record*
LISA H. MEYERHOFF
SUSAN E. POWLEY
JENKENS & GILCHRIST,
A PROFESSIONAL CORPORATION
1445 Ross Avenue
Suite 3200
Dallas, Texas 75202
(214) 855-4500

*Attorneys for Petitioner*

186727

COUNSEL PRESS
(800) 274-3321 • (800) 359-6859

## QUESTIONS PRESENTED

Congress first provided patent protection for the designs of articles of manufacture in 1842 to fill a statutory void that, until then, had allowed for piracy. Design patents now protect the ornamental features of products in industries across the spectrum of our economy: from electronics and automotive accessories to athletic shoes, ceiling fans and lighting fixtures, and numerous other products.

In 1871, this Court held that the proper test for design patent infringement is whether, from the perspective of ordinary purchasers, the patented and accused designs are "substantially the same." *Gorham Co. v. White*, 81 U.S. 511 (14 Wall.) 511, 528 (1871). The Federal Circuit's decisions, however, have eviscerated the ordinary purchaser test. The case below held that courts are always free to disregard competent empirical evidence that ordinary purchasers consider the accused and patented designs to be substantially the same, even at the summary judgment stage.

The questions presented are:

1. In view of this Court's longstanding statutory interpretation of the test for design patent infringement and its holding in *Celotex Corp. v. Catrett*, 477 U.S. 317 (1986), was it appropriate to affirm summary judgment of non-infringement when the record included competent empirical evidence that ordinary purchasers consider the patented and accused designs to be substantially the same?

2. Whether allowing trial courts to substitute their own viewpoints on substantial similarity for that of ordinary purchasers impermissibly alters the *Gorham* "ordinary purchaser" test for design patent infringement?

## LIST OF PARTIES

Minka Lighting, Inc., a California corporation, is the sole Petitioner in this action. Petitioner is the exclusive licensee of U.S. Design Patent No. 380,539 (the "patent-in-suit"). Petitioner was a co-plaintiff in the proceeding before the district court and the sole appellant in the proceeding before the Court of Appeals for the Federal Circuit.

Craftmade International, Inc., a Texas corporation, is the Respondent named in the caption of the petition.

Pan Air Electric Co., Ltd. is a company organized under the laws of Taiwan and the sole owner of the patent-in-suit. Pan Air Electric Co., Ltd. was Petitioner's co-plaintiff in the proceeding before the district court, but did not participate or appear in the proceedings before the Court of Appeals for the Federal Circuit. Pursuant to Supreme Court Rule 12.6, Pan Air Electric Co., Ltd. may also be considered a Respondent.

## STATEMENT PURSUANT TO RULE 29.6

Pursuant to Supreme Court Rule 29.6, Petitioner Minka Lighting, Inc. states that it has no parent companies and that no publicly held corporation holds more than 10% of Petitioner's stock.

## TABLE OF CONTENTS


| | PAGE |
|---|---|
| QUESTIONS PRESENTED | i |
| LIST OF PARTIES | ii |
| STATEMENT PURSUANT TO RULE 29.6 | ii |
| TABLE OF CONTENTS | iii |
| TABLE OF AUTHORITIES | v |
| TABLE OF APPENDICES | viii |
| OPINIONS BELOW | 1 |
| JURISDICTION | 2 |
| STATUTORY PROVISIONS AND RULES INVOLVED | 2 |
| STATEMENT OF THE CASE | 3 |
| A. BASIS FOR JURISDICTION | 4 |
| B. THE DISTRICT COURT'S SUMMARY JUDGMENT OF NON-INFRINGEMENT | 4 |
| C. THE FEDERAL CIRCUIT AFFIRMS THE DISTRICT COURT | 6 |

REASONS FOR GRANTING THE PETITION ... 7

I. THE DECISION BELOW IMPERMISSIBLY ALTERS THE *GORHAM* ORDINARY PURCHASER TEST BY AUTHORIZING TRIAL COURTS TO IGNORE THE VIEWS OF ORDINARY PURCHASERS ON DESIGN SIMILARITY AND SUBSTITUTE THEIR OWN CONTRARY VIEWS ..... 7

A. THE PROPER STANDARD FOR DESIGN PATENT INFRINGEMENT: THE *GORHAM* ORDINARY PURCHASER TEST ..... 7

B. FEDERAL CIRCUIT PRECEDENT LAID THE GROUNDWORK FOR ITS ERRONEOUS DECISION IN THE CASE AT BAR ..... 12

C. THE DECISION BELOW IMPERMISSIBLY ALTERS THE ORDINARY PURCHASER TEST ..... 14

II. THE DECISION BELOW ABUSED PROPER SUMMARY JUDGMENT STANDARDS ..... 16

CONCLUSION ..... 18

## TABLE OF AUTHORITIES

PAGE

FEDERAL CASES

*Anderson v. Liberty Lobby, Inc.*,
477 U.S. 242 (1986) ..... 4, 16, 17

*Braun, Inc. v. Dynamics Corp. of Am.*,
975 F.2d 815 (Fed. Cir. 1992) ..... 13, 14, 15

*Celotex Corp. v. Catrett*,
477 U.S. 317 (1986) ..... i, 4, 16, 17

*Goodyear Tire & Rubber Co. v. Hercules Tire & Rubber Co.*,
162 F.3d 1113 (Fed. Cir. 1998) ..... 14

*Gorham Co. v. White*,
81 U.S. 511 (1871) ..... *passim*

*Litton Sys., Inc. v. Whirlpool Corp.*,
728 F.2d 1423 (Fed. Cir. 1984) ..... 12

*Read Corp. v. Portec*,
970 F.2d 816 (Fed. Cir. 1992) ..... 14

*Unette Corp. v. Unit Pack Co.*,
785 F.2d 1026 (Fed. Cir. 1986) ..... 13, 14

**STATUTES AND RULES**

35 U.S.C. § 171 ..... 2, 8, 9

35 U.S.C. § 271 ..... 2

28 U.S.C. § 1254(1) ..... 2

28 U.S.C. § 1338(a) ..... 4

Act of August 29, 1842, ch. 263, § 3,
5 Stat. 543-44 (1842) ..... 8

Act of March 2, 1861, ch. 88, § 11,
12 Stat. 248 (1861) ..... 8

Act of May 9, 1902, ch. 783,
32 Stat. 193 (1902) ..... 9

Fed. R. Civ. P. 56 ..... 3, 16, 17

**LEGISLATIVE MATERIALS**

H.R. Rep. No. 1661, 57th Cong., 1st Sess. 1 (1902) ... 9

S. Rep. No. 1139, 57th Cong., 1st Sess. 1 (1902) .. 9

**OTHER AUTHORITIES**

*Annual Report of the Commissioner of Patents to the 27th Congress, 2d Session* (February 8, 1841) ..... 8

Thomas B. Hudson, *A Brief History of the Development of Design Patent Protection in the United States*, 30 J. Pat. Off. Soc'y 380 (1948) ..... 8

United States Patent & Trademark Office, *Design Patents: January 1977 - December 2001* (April 2002) ..... 3

## TABLE OF APPENDICES

PAGE

Appendix A — Opinion Of The United States Court Of Appeals For The Federal Circuit Decided January 16, 2004 ..... 1a

Appendix B — Order And Judgment Of The United States District Court For The Northern District Of Texas, Dallas Division Dated June 14, 2002 .... 10a

Appendix C — Findings And Recommendation Of The United States Magistrate Judge Of The United States District Court For The Northern District Of Texas, Dallas Division Dated And Filed May 15, 2002 ..... 12a

Appendix D — Order Of The United States Court Of Appeals For The Federal Circuit Denying Petition For Rehearing And Rehearing En Banc Dated And Filed February 24, 2004 ..... 25a

Appendix E — Rule Involved ..... 27a

Petitioner Minka Lighting, Inc. respectfully prays that a writ of certiorari issue to review the judgment and opinion of the United States Court of Appeals for the Federal Circuit, entered in the above-entitled proceeding on January 16, 2004. A petition for rehearing and rehearing en banc was timely filed, but denied by that court on February 24, 2004.

## OPINIONS BELOW

The non-precedential opinion of the Court of Appeals for the Federal Circuit is not officially reported, but is available at 2004 WL 506587 (Fed. Cir. January 16, 2004). The Federal Circuit's opinion (hereafter "*Minka II*") is reprinted in Appendix A at 1a-9a. The Federal Circuit's denial of the petition for rehearing and rehearing en banc is unreported. It is reprinted in Appendix D at 25a-26a.

The June 14, 2002 Order of the district court adopting the Findings and Recommendation of the United States Magistrate Judge and granting the defendant's motion for summary judgment of non-infringement (together with the Magistrate Judge's findings and recommendation) were not officially reported, but are available at 2002 WL 1331833 (N.D. Tex. June 14, 2002). The district court's June 14, 2002 Order is reprinted in Appendix B at 10a-11a. The Findings and Recommendation of the United States Magistrate Judge (hereafter "*Minka I*"), adopted in the district court's June 14, 2002 Order, are reprinted in Appendix C at 12a-24a.

## JURISDICTION

The court of appeals' judgment [App. A, at 1a-9a] was entered on January 16, 2004. A timely petition for rehearing and rehearing en banc was denied on February 24, 2004 [App. D, at 25a-26a]. The jurisdiction of the Court is invoked under 28 U.S.C. § 1254(1).

## STATUTORY PROVISIONS AND RULES INVOLVED

*35 U.S.C. § 171. Patents for designs*

> Whoever invents any new, original and ornamental design for an article of manufacture may obtain a patent therefor, subject to the conditions and requirements of this title.
>
> The provisions of this title relating to patents for inventions shall apply to patents for designs, except as otherwise provided.

*35 U.S.C. § 271. Infringement of patent*

> (a) Except as otherwise provided in this title, whoever without authority makes, uses, offers to sell, or sells any patented invention, within the United States or imports into the United States any patented invention during the term of the patent therefor, infringes the patent.

* * *

*Federal Rules of Civil Procedure: Rule 56. Summary Judgment*

Rule 56 of the Federal Rules of Civil Procedure is set forth in full in Appendix E at 27a-29a.

## STATEMENT OF THE CASE

This case raises questions important to a significant segment of our economy about the viability of design patent protection.[1] This Court long ago established that the proper test for design patent infringement is whether, from the perspective of "ordinary purchasers," the patented and accused designs are "substantially the same." *Gorham Co. v. White*, 81 U.S. 511 (14 Wall.) 511, 528, 530-31 (1871). In the judgment below, however, the Federal Circuit held it permissible to disregard relevant and admissible empirical evidence demonstrating that actual and potential purchasers of the product in issue (ceiling fans) consider the patented and accused designs to be substantially the same.

The Federal Circuit has expressly endorsed an analysis of design patent infringement that allows trial courts to substitute their own viewpoints – here that the patented and accused designs were not substantially the same – for those

---

1. According to an April 2002 report published by the U.S. Patent and Trademark Office, companies with more than 100 design patents include industry leaders such as AT&T, Nike, Motorola, Goodyear Tire and Rubber, IBM, Black & Decker, Rubbermaid, Proctor & Gamble, American Standard, 3M, General Electric, Timex, Coca-Cola, Hunter Fan, Oneida, Moen, Daimler-Chrysler, Nikon, The Hoover Co., Compaq, Sony, and Corning. *See* United States Patent & Trademark Office, *Design Patents: January 1977 – December 2001*, pp. B-1 to B-13 (April 2002).

of ordinary purchasers. This approach both eviscerates the *Gorham* ordinary purchaser test and abuses the summary judgment standards established in *Celotex v. Catrett*, 477 U.S. 317 (1986), *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242 (1986), and progeny. Only this Court can correct this clear departure from its binding precedent.

### A. Basis For Jurisdiction

The basis for jurisdiction in the court of first instance is 28 U.S.C. § 1338(a), which gives the United States district courts original and exclusive jurisdiction in cases arising under the patent laws of the United States.

### B. The District Court's Summary Judgment Of Non-Infringement

Petitioner Minka Lighting, Inc. ("Minka" or "Petitioner") designs, manufactures, and sells innovative lighting and ceiling fan products and is recognized as a design leader in its industry. In 1996, designers for Minka invented a new design for a contemporary ceiling fan. Minka's new fan, the "Viper," enjoyed significant commercial success because of its unique, innovative, and attractive design. The inventor of this novel ceiling fan design applied for a design patent, and U.S. Design Patent No. 380,539 (the "'539 patent") issued on July 1, 1997. Minka is the exclusive licensee of the '539 patent.

Respondent Craftmade International, Inc. ("Craftmade" or "Respondent") is one of Minka's direct competitors. After Minka introduced its new Viper ceiling fan, Craftmade introduced a new line of contemporary ceiling fans, the "Solo" and "Cefiro" ceiling fans. The common design of

these two Craftmade fans was remarkably similar to that of Minka's patented Viper ceiling fan. In 2000, Minka filed suit for infringement of the '539 patent against Craftmade in the United States District Court for the Northern District of Texas.

After the claim construction phase was complete, Craftmade filed a motion for summary judgment of non-infringement. In opposition to Craftmade's motion for summary judgment, Minka *inter alia* submitted statistical survey and related expert evidence demonstrating that purchasers and potential purchasers of ceiling fans – *i.e.*, ordinary purchasers – found the accused Craftmade fan design to be substantially the same as the patented Minka design.[2] Minka argued that this evidence was sufficient to establish a genuine issue of material fact that precluded summary judgment of non-infringement. [*Minka I*, App. C, at 22a].

---

2. CTAF A201-A215. Citations to "CTAF A _____" are to non-confidential materials included in the parties' Confidential Joint Appendix filed in conjunction with Minka's appeal to the Federal Circuit and part of the record below.

In the survey, participants compared four ceiling fans: the Minka Viper (an undisputed embodiment of the '539 patent), the accused Craftmade Solo, and two other ceiling fans. Seventy-one percent (71%) of survey participants identified the accused Solo ceiling fan as being the only fan that was substantially the same as the Minka Viper ceiling fan. Of that 71%, 94% attributed this sameness to the curved or contoured blade shape or because of the flower or star appearance of the overall fan. CTAF A205, 213-14, 215; *see also Minka I*, App. C, at 21a-22a.

The district court, however, expressly disregarded this survey evidence. Instead, the court deemed it proper to decide for itself whether or not the Minka and Craftmade designs were "substantially similar."

> As previously noted, the Court may rely "exclusively or primarily on a visual comparison of the patented design, as well as the device that embodies the design [ ] and the accused device's design" in determining infringement or non-infringement. *Based on a visual comparison* of the Viper and Solo fans, *the Court has concluded* that the patented and accused designs are not substantially similar. The survey results proffered by Minka cannot create a fact issue where none exists.

[*Minka I*, App. C, at 22a (emphasis added) (citations omitted)]. Thus, based *solely* on its own visual comparison of the designs, and contrary to Minka's competent survey evidence showing that ordinary purchasers found the designs to be substantially the same, the district court determined that "no reasonable jury could find a substantial similarity between the Craftmade Cefiro and Solo fans and the '539 patent" and that "there is no infringement as a matter of law." [*Minka I*, App. C, at 24a].

### C. The Federal Circuit Affirms The District Court

On appeal, the Court of Appeals for the Federal Circuit affirmed. The Federal Circuit *inter alia* held that, even at the summary judgment stage, "a district court *may* admit ordinary observer witness testimony to determine substantial similarity, *but is not required to do so*." [*Minka II*, App. A, at 8a (emphasis added)]. Thus, according to the Federal

Circuit, it was not error for the trial court to base its non-infringement finding solely on its own visual comparison of the patented and accused products. [*Minka II*, App. A, at 8a].

## REASONS FOR GRANTING THE PETITION

## I.

## THE DECISION BELOW IMPERMISSIBLY ALTERS THE *GORHAM* ORDINARY PURCHASER TEST BY AUTHORIZING TRIAL COURTS TO IGNORE THE VIEWS OF ORDINARY PURCHASERS ON DESIGN SIMILARITY AND SUBSTITUTE THEIR OWN CONTRARY VIEWS

### A. The Proper Standard For Design Patent Infringement: The *Gorham* Ordinary Purchaser Test

Prior to 1842, industrial designs did not enjoy protection under the United States patent or copyright laws. In his February 1842 annual report, the Commissioner of Patents urged Congress to rectify this situation, observing that the then-existing system was unjustifiably detrimental to the innovators of designs for articles of manufacture and to the public at large.

> Competition among manufacturers for the latest patterns prompts to the highest effort to secure improvements, and calls out the inventive genius of our citizens. Such patterns are immediately pirated, at home and abroad. . . . If protection is given to designers, better patterns will, it is believed, be obtained since the impossibility of concealment at present forbids all expense that

> can be avoided. It may well be asked if authors can so readily find protection in their labors, and inventors of the mechanical arts so easily secure a patent to reward their efforts, why should not discoverers of designs, the labor and expenditure of which may be far greater, have equal protection afforded them?

*Annual Report of the Commissioner of Patents to the 27th Congress, 2d Session* (February 8, 1841) (quoted in Thomas B. Hudson, *A Brief History of the Development of Design Patent Protection in the United States* [hereafter "Hudson, *A Brief History*"], 30 J. Pat. Off. Soc'y 380, 380-81 (1948)).

Based on the Commissioner's recommendation, Congress shortly thereafter enacted the first design patent law, which *inter alia* extended patent protection to "any new and original shape or configuration of any article of manufacture."[3] Hudson, *A Brief History*, 30 J. Pat. Off. Soc'y at 381. Despite several changes in statutory language and organization, the scope of design patent protection afforded under the present statute remains substantively the same today. United States Code Title 35, Section 171 currently provides patent protection for "any new, original and ornamental design for an article of manufacture."[4]

---

3. Act of August 29, 1842, ch. 263, § 3, 5 Stat. 543-44 (1842) (amended 1861; repealed 1870; current version codified as amended in 35 U.S.C. § 171). The 1842 statute underwent minor revisions in 1861, the most significant of which made changes in the duration of design patents. *See* Act of March 2, 1861, ch. 88, § 11, 12 Stat. 248 (1861) (repealed; current version codified as amended in 35 U.S.C. §§ 171, 173).

4. The language in the current statute, 35 U.S.C. § 171, requiring that a design be "new, original and *ornamental*" (emphasis added) first

(Cont'd)

This Court addressed the proper test for design patent infringement in *Gorham Co. v. White*, 81 U.S. (14 Wall.) 511 (1871). The Court began by expressly acknowledging the purpose and value of industrial design protection.

> The law manifestly contemplates that giving certain new and original appearances to a manufactured article may enhance its salable value, may enlarge the demand for it, and may be a meritorious service to the public. It therefore proposes to secure for a limited time to the ingenious producer of those appearances the advantages flowing from them.

*Id.* at 525.

---

(Cont'd)
appeared in an amendment to the Revised Statutes enacted in 1902. Act of May 9, 1902, ch. 783, 32 Stat. 193 (1902), *amending* Revised Statutes, Title LX, ch. 1, § 4929 (1874) (repealed 1946; current version codified as amended in 35 U.S.C. § 171). As noted in the accompanying House Report, the 1902 Act *inter alia* replaced the word "useful" (which was added in 1870) with the word "ornamental" to alleviate confusion that arose from Congress' use of the former. *See* H.R. Rep. No. 1661, 57th Cong., 1st Sess. 1-2 (1902) (discussing case law interpreting the term "useful" in predecessor statutes). The corresponding Senate Report confirms that "[t]he object sought by the proposed amendment is to conform the existing law to the manifest requirements of design patent law as distinguished from the law governing the subject of mechanical patents." S. Rep. No. 1139, 57th Cong., 1st Sess. 1-2 (1902). The substitution of "ornamental" for "useful" is entirely consistent with the test set forth in *Gorham*, which clearly acknowledges that prior statutes also required that designs be both novel and ornamental to qualify for patent protection. *See Gorham*, 81 U.S. (14 Wall.) at 524-25.

With this in mind, the Court went on to consider what was the proper test for design patent infringement.

> We are now prepared to inquire what is the true test of identity of design. Plainly, it must be sameness of appearance, and mere difference of lines in the drawing or sketch, a greater or smaller number of lines, or slight variances in configuration, if insufficient to change the effect upon the eye, will not destroy substantial identity.

*Id* at 526-27. The critical issue for resolution was through whose eyes "sameness of appearance" should be measured. The lower court had concluded that this question should be considered from the viewpoint of an expert, *i.e.*, "a person versed in the designs in the particular trade in question . . . a person accustomed to compare such designs with one another, and who sees and examines the articles containing them side by side." *Id.* at 527 (internal quotation marks omitted). This Court, however, disagreed, explaining that such a test would defeat congressional intent.

> Such a test would destroy all the protection which the act of Congress intended to give. There never could be piracy of a patented design, for human ingenuity has never yet produced a design, in all its details, exactly like another, so like, that an expert could not distinguish them. . . . The purpose of the law must be effected if possible; but, plainly, it cannot be if, while the general appearance of the design is preserved, minor differences of detail in the manner in which the appearance is produced, observable by experts, but not noticed by ordinary observers, by those

> who buy and use, are sufficient to relieve an imitating design from condemnation as an infringement.

*Id.* at 527-28.

Design patent infringement, then, is to be measured from the perspective of *consumers*, *i.e.*, by those who "buy and use" the articles in question. The *Gorham* Court articulated the proper test as follows:

> We hold, therefore, that if, in the eye of the ordinary observer, giving such attention as a purchaser usually gives, two designs are substantially the same, if the resemblance is such as to deceive such an observer, inducing him to purchase one supposing it to be the other, the first one patented is infringed by the other.

*Id.* at 528.

Significantly, *Gorham* also establishes that empirical evidence demonstrating how ordinary purchasers would regard the accused and patented designs is probative in determining whether they are "substantially the same" for purposes of infringement. *Id.* at 530-31. As the Court explained:

> A large number of witnesses . . . testified that, in their opinion, there is no substantial difference in the three designs, and that ordinary purchasers would be likely to mistake the White designs for the 'cottage' (viz., that of the plaintiffs). This

> opinion is repeated in many forms of expression, as, that they are the same pattern; that the essential features are the same; *that seven out of ten customers* who buy silverware would consider them the same; that manufacturers as well as customers would consider them the same; that the trade generally would so consider them; that, though there are differences, they would not be noticed without a critical examination; that they are one and the same pattern, &c., &c.

*Id.* at 530 (emphasis added).

### B. Federal Circuit Precedent Laid The Groundwork For Its Erroneous Decision In The Case At Bar

As the Federal Circuit itself has recognized (at least academically), *Gorham* remains the controlling decision of this Court on the subject of design patent infringement. *See Litton Sys., Inc. v. Whirlpool Corp.*, 728 F.2d 1423, 1444 (Fed. Cir. 1984). Under *Gorham*, the question of design patent infringement, like that of trademark infringement, is (or should be) measured from the perspective of ordinary purchasers, making competent empirical evidence always relevant to both inquiries.[5] Yet, the Federal Circuit's decisions allow courts to disregard at will competent empirical evidence with which they disagree. The appellate

---

5. These infringement inquiries, however, differ somewhat in focus. The proper focus for trademark infringement is whether consumers are likely to be confused as to the *source* of the goods in question. Design patent infringement, however, focuses on whether consumers (*i.e.*, ordinary purchasers) view the ornamental *designs* of goods (regardless of source) to be substantially the same.

court has thus rendered the viewpoints of ordinary purchasers meaningless to the question of design patent infringement.[6]

In *Unette Corp. v. Unit Pack Co.*, the appellate court started with the innocuous observation that "[l]ikelihood of confusion as to the source of goods *is not* a necessary or appropriate factor for design patent infringement." 785 F.2d 1026, 1029 (Fed. Cir. 1986) (emphasis added). Six years later in *Braun, Inc. v. Dynamics Corp. of Am.*, 975 F.2d 815 (Fed. Cir. 1992), the Federal Circuit, relying on *Unette*, broadly stated that "[d]esign patent infringement does not concern itself with the broad issue of consumer behavior in the marketplace." *Id.* at 820.

The latter statement is contrary to *Gorham's* clear focus on likely purchaser perception and behavior. *See* 81 U.S. at 528-31.[7] It is also difficult to reconcile with other

6. The *Gorham* test is most frequently referred to as the "ordinary observer" test, but this is perhaps a misnomer to the extent it suggests that the relevant universe of "observers" extends beyond those who actually "buy and use" the patented article, *i.e.*, consumers of the product. *See Gorham*, 81 U.S. at 528. The *Gorham* Court itself refers to the relevant universe of "ordinary observers" as "ordinary purchasers." *Id.* at 530-31.

7. Taken at face value, this statement in *Braun* erroneously suggests that empirical consumer evidence has little or no probative value in the design patent infringement analysis, which is clearly at odds with *Gorham*. This is the same erroneous approach endorsed by the appellate court in the case at bar. *Braun* also strays from the objective "ordinary purchaser" standard established in *Gorham* by equating jurors (who may or may not be part of the relevant purchasing public) with the hypothetical "ordinary observers" or "ordinary purchasers" envisioned by *Gorham*. *See* 975 F.2d at 821.

pronouncements of the Federal Circuit on the subject. *See, e.g., Read Corp. v. Portec*, 970 F.2d 816, 826 (Fed. Cir. 1992) (design patent infringement "depends upon (1) the similarity of the ornamental features of the Portec device and the patented design, and (2) the *likelihood that an ordinary person would be confused* because of that similarity) (emphasis added);[8] *Goodyear Tire & Rubber Co. v. Hercules Tire & Rubber Co.*, 162 F.3d 1113, 1118 (Fed. Cir. 1998) (design patent infringement "requires that the designs have the same general visual appearance, such that it is *likely that the purchaser would be deceived into confusing* the design of the accused article with the patented design) (emphasis added).

The decision below, which expressly relies on *Braun* (and *Unette*), confirms the confusion arising from inconsistent Federal Circuit precedent. Contrary to *Gorham*, it held that courts are *never required* to consider, even at the summary judgment stage, competent empirical evidence that ordinary purchasers consider the patented and accused designs to be substantially the same. [*Minka II*, App. A, at 8a].

### C. The Decision Below Impermissibly Alters The Ordinary Purchaser Test

As already noted, Minka's summary judgment evidence included a statistical survey demonstrating that purchasers and potential purchasers of ceiling fans – *i.e.*, ordinary purchasers – found the accused and patented designs to be substantially the same.[9] In affirming summary judgment, the Federal Circuit held that courts are not required to consider

8. *Read* was decided two months before *Braun*.

9. *See supra* note 2.

competent empirical evidence when they are not of a mind to do so.

> [A] district court may admit ordinary observer witness testimony to determine substantial similarity, but it is not required to do so. *Braun*, 975 F.2d at 821 ("[A fact finder] does not necessarily require empirical evidence as to whether ordinary observers would be deceived.). . . . Accordingly the district court did not abuse its discretion.

[App. A, at 8a]. The Federal Circuit's interpretation of its own precedent impermissibly alters *Gorham* by allowing courts to excise ordinary purchasers from the ordinary purchaser test.

The ultimate effect of the Federal Circuit's decision is clear. The appellate court has given the lower courts permission to ignore legitimate "ordinary purchaser" evidence with which they disagree and to decide the issue of design patent infringement, as a matter of law, based on nothing more than their own personal evaluation of the designs in question. This, quite simply, eviscerates the *Gorham* ordinary purchaser test and allows the very sort of piracy the design patent statutes were intended to prevent. Petitioner respectfully submits that the Federal Circuit's judgment warrants review and correction by this Court.

## II.

## THE DECISION BELOW ABUSED PROPER SUMMARY JUDGMENT STANDARDS

It is, of course, axiomatic that summary judgment is improper when there exists a genuine dispute on an issue of material fact. Fed. R. Civ. P. 56(c). When the non-moving party bears the burden of proof at trial, summary judgment is proper if the non-movant fails to make an evidentiary "showing sufficient to establish the existence of an element essential to that party's case." *Celotex*, 477 U.S. at 322.

Rule 56, however, was not intended to place an extraordinary evidentiary burden on the non-moving party in order to defeat summary judgment. As the *Celotex* Court explained:

> Rule 56(e) permits a proper summary judgment motion to be opposed by any of the kinds of evidentiary materials listed in Rule 56(c), *except the mere pleadings themselves*, and it is from this list that one would normally expect the nonmoving party to make the showing to which we have referred.

*Id.* at 324 (emphasis added); *see also Anderson*, 477 U.S. at 257 ("plaintiff, to survive defendant's summary judgment motion, need only present evidence from which a jury might return a verdict in his favor").

Thus, while a non-movant may not simply rest on the pleadings or conclusory allegations to defeat a motion for summary judgment, once he or she has offered competent

evidence, the trial court is not free to disregard it. "The evidence of the non-movant is to be believed, and all justifiable inferences are to be drawn in his favor." *Id.* at 255. "[A]t the summary judgment stage, the judge's function is not himself to weigh the evidence and determine the truth of the matter but to determine whether there is a genuine issue for trial." *Id.* at 249.[10] "Summary judgment will not lie . . . if the evidence is such that a reasonable jury could return a verdict for the non-moving party." *Id.* at 248.

In the case at bar, the Federal Circuit abused these established summary judgment standards. In determining summary judgment of non-infringement, the proper inquiry here was whether or not a reasonable jury could conclude that *ordinary purchasers* would find the designs to be substantially the same (the very issue Minka's survey evidence addressed). Even if a jury, or the court sitting as *fact-finder at trial*, might ultimately reject competent empirical evidence on this issue in favor of other evidence, a district court is clearly not free to do the same in the context of summary judgment. *Anderson*, 477 U.S. at 257 (non-movant's evidence is to be believed).

In affirming the district court, however, the Federal Circuit effectively treated Minka's survey evidence as either non-existent or unbelievable, neither of which is proper at summary judgment. Indeed, the appellate court expressly held that courts are *never required* to consider, even at the

---

10. As the *Celotex* Court observed, Rule 56 is intended to effect a proper balance of rights between "persons asserting claims and defenses that are *adequately based in fact*" and those of opposing parties "to demonstrate, in the manner provided by the Rule, prior to trial, that the claims and defenses have *no factual basis*." 477 U.S. at 327 (emphasis added).

summary judgment stage, competent empirical evidence that ordinary purchasers consider the patented and accused designs to be substantially the same. [*Minka II*, App. A, at 8a]. As a result, the Federal Circuit approved a methodology that allows trial courts to conduct the infringement analysis not through the eyes of ordinary purchasers as *Gorham* mandates, but rather from their own personal points of view. The decision below was thus both substantively and procedurally flawed.

## CONCLUSION

For the foregoing reasons, Petitioner respectfully requests that the Court grant this Petition for A Writ of Certiorari and reverse the judgment of the Court of Appeals for the Federal Circuit.

Respectfully submitted,

JERRY R. SELINGER
*Counsel of Record*
LISA H. MEYERHOFF
SUSAN E. POWLEY
JENKENS & GILCHRIST,
A PROFESSIONAL CORPORATION
1445 Ross Avenue
Suite 3200
Dallas, Texas 75202
(214) 855-4500

PATRICK L. O'DANIEL
JENKENS & GILCHRIST,
A PROFESSIONAL CORPORATION
2200 One American Center
600 Congress Avenue
Austin, Texas 78701
(512) 499-3800

*Attorneys for Petitioner*

**APPENDIX A — OPINION OF THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT DECIDED JANUARY 16, 2004**

NOTE: Pursuant to Fed. Cir. R. 47.6, this disposition is not citable as precedent. It is public record.

**UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT**

03-1162

MINKA LIGHTING, INC.,

Plaintiff-Appellant,

and

PAN AIR ELECTRIC CO., LTD.,

Plaintiff,

v.

CRAFTMADE INTERNATIONAL, INC.,

Defendant-Appellee.

DECIDED: January 16, 2004

Before MICHEL, RADER, and DYK, *Circuit Judges*.

RADER, *Circuit Judge*.

On summary judgment, the United States District Court for the Northern District of Texas ruled that Craftmade International, Inc. (Craftmade) was not liable for infringing

*Appendix A*

U.S. Patent No. Des. 380,539 (the '539 patent), unfair competition, or unjust enrichment. *Minka Lighting, Inc. v. Craftmade Int'l, Inc.*, No. 3-00-CV-0888-G, 2002 WL 1331883 (N.D. Tex. June 14, 2002), 2002 WL 31495990 (N.D. Tex. Nov. 4, 2002). Because the district court did not err in its rulings, this court *affirms*.

I.

Minka Lighting, Inc. (Minka) is exclusive licensee of the '539 patent, a ceiling fan design patent whose commercial embodiment is the Viper fan. Craftmade manufactures the Solo and Cefiro ceiling fans. Minka sued Craftmade, alleging infringement of the '539 patent, unfair competition, and unjust enrichment. Craftmade moved for summary judgment of noninfringement. The district court adopted a magistrate judge's report construing the claims and finding no infringement. The magistrate judge compared the Solo and Cefiro fans to Minka's Viper fan and found that the overall visual impression of the Solo and Cefiro fans differs from the Viper because of differences in the blades' leading edges and bracket arms. The magistrate judge concluded that the fans are not substantially similar. The district court granted summary judgment that Craftmade's fans did not Infringe. Craftmade moved for summary judgment dismissing the unfair competition and unjust enrichment claims. Adopting a second magistrate judge's recommendations, the district court granted the motion.

Minka appealed to this court, which has jurisdiction under 28 U.S .C. § 1295(a)(1) (2000).

*Appendix A*

II.

This court reviews a grant of summary judgment de novo, reapplying the summary judgment standard. *See Golan v. Pingel Enter., Inc.*, 310 F.3d 1360, 1367 (Fed. Cir. 2002). Claim construction is a legal question that this court reviews without deference. *See Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448, 1456 (Fed. Cir. 1998) (en banc). This court reviews a district court's evidentiary decisions for abuse of discretion. *Keams v. Chrysler Corp.*, 32 F.3d 1541, 1547 (Fed. Cir. 1994).

III.

"Summary judgment is proper 'if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to judgment as a matter of law.'" *Celotex Corp. v. Catrett*, 477 U.S. 317, 322-23 (1986) (quoting Fed. R. Civ. P. 56(c)). Determining design patent infringement requires first construing the claim, then comparing the claim as properly construed to the accused design. *Elmer v. ICC Fabricating, Inc.*, 67 F.3d 1571, 1577 (Fed. Cir. 1995).

A.

Minka contends the district court erred in construing the claim of the '539 patent through its own eyes, rather than as an ordinary observer or a designer of ordinary skill. Minka proposes that this court should follow the standard for utility

patents of *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 986 (Fed. Cir. 1995) (en banc), *aff'd*, 517 U.S. 370 (1996) and consider "what one of ordinary skill in the art at the time of the invention would have understood the term to mean."

According to our precedent, a district court properly construes design claims through its own eyes and need not refer to an ordinary observer or a skilled artisan. In construing a design claim, a trial court may "translate visual descriptions into words" that "evoke the visual image of the design." *Durling v. Spectrum Furniture Co.*, 101 F.3d 100, 103 & n.2 (Fed. Cir. 1996) (replacing the district court's construction with a new construction without citing the perspective of an ordinary observer or a skilled designer). This court affirmed the construction of a design patent claim, where the district court "considered and described each of the Figures . . . and based its claim construction on the ornamental features." *Contessa Food Prods., Inc. v. Conagra, Inc.*, 282 F.3d 1370, 1377 (Fed. Cir. 2002). This court also affirmed the construction of a design patent claim, where the district court "carefully noted the ornamental features" without referring to the perspective of an ordinary observer or a skilled designer. *See OddzOn Prods., Inc. v. Just Toys, Inc.*, 122 F.3d 1396, 1405 (Fed. Cir. 1997). Finally, this court in *Elmer* construed design claims without referring to the perspective of an ordinary observer or a skilled designer. *Elmer*, 67 F.3d at 1577.

However, a district court need not always verbally construe at length a design patent's drawings. The infringement analysis essentially involves comparing the

drawings to an accused device; a verbal description of the drawings does not necessarily aid such a comparison. But an extensive verbal claim construction may be helpful particularly if the drawings contain features that are not part of the patented design, e.g., if the drawings contain functional features or if there is a point of novelty issue to consider. *See, e.g., OddzOn Prods.*, 122 F.3d at 1405. Here, the district court chose to verbally construe the claims. This court discerns no error in that construction.

B.

To find infringement, the accused design must satisfy two distinct tests: "(a) the 'ordinary observer' test, and (b) the 'point of novelty' test." *Contessa*, 282 F.3d at 1377. Under the "ordinary observer" test,

> [I]f, in the eye of an ordinary observer, giving such attention as a purchaser usually gives, two designs are substantially the same, if the resemblance is such as to deceive such an observer, inducing him to purchase one supposing it to be the other, the first one patented is infringed by the other.

*Gorham Co. v. White*, 81 U.S. 511, 528 (1871); *see also L.A. Gear, Inc. v. Thom McAn Shoe Co.*, 988 F.2d 1117, 1124 (Fed. Cir. 1993) ("Design patent infringement requires a showing that the accused design is substantially the same as the claimed design. The criterion is deception of the ordinary observer, such that one design would be confused with the other. . . .").

*Appendix A*

The point of novelty test requires proof that the accused design "appropriates the novelty which distinguishes the patented design from the prior art." *Contessa,* 282 F.3d at 1377. "[A] trier of fact must consider the ornamental aspects of the design as a whole and not merely isolated portions of the patented design." *Braun Inc. v. Dynamics Corp. of Am.,* 975 F.2d 815, 820 (Fed. Cir. 1992). In any event, design patent scope is severely limited, essentially covering only the patent's figures and nothing more. *In re Mann,* 861 F.2d 1581, 1582 (Fed. Cir. 1988) ("Design patents have almost no scope. [They are] limited to what is shown in the application drawings.").

The district court found that the accused fans are not substantially similar to the claimed design. The district court compared the accused Cefiro and Solo fans to the claimed design as embodied in Minka's Viper fan, and found that they have a different overall visual appearance. The district court described in detail its findings based on the fans' specific features and overall appearance. The district court did not err in concluding that no reasonable jury could find substantial similarity.

Minka contends that the district court erred by misapplying the law and in excluding certain evidence. First, Minka argues the district court erred by not considering infringement under the doctrine of equivalents. This court disagrees. The substantial similarity test by its nature subsumes a doctrine of equivalents analysis. *See Lee v. Dayton-Hudson Corp.,* 838 F.2d 1186, 1189-90 (Fed. Cir. 1988).

Second, the district court did not err in considering the brackets of the '539 patent in analyzing infringement. A fan with cutouts appears in Figures 1 and 2 of U.S. Patent No. Des. 357,978 (Young). Minka contends that the '539 patent's football-shaped cutouts are not novel over the Young cutouts, and therefore the district court should not have considered the fact that the brackets of the Solo and Cefiro fans lack the '539 design's football-shaped cutouts. To the contrary, Young's oval-shaped hole is substantially different from the cutouts and therefore does not place the '539 patent's cutouts in the prior art. Young's oval-shaped hole has a different proportion and orientation than the '539 patent's cutout. Also, the Young design hole completely penetrates its fan blade, while the '539 patent's football-shaped cutout does not penetrate the fan blade. Therefore the district court properly considered the '539 patent's cutout.

Finally, Minka contends that the district court erred by failing to admit models of Craftmade's Solo fan and Minka's Viper fan, deposition testimony on the issue of deceptive similarity and expert reports and testimony about consumer survey evidence of confusion for considering infringement.

The district court acted within its discretion in excluding commercial embodiments of the patented design and accused products for considering infringement. *See Braun,* 975 F.2d at 821 ("Nothing in *Gorham* suggests that, in finding design patent infringement, a trier of fact may not as a matter of law rely exclusively or primarily on a visual comparison."). Accordingly, the district court did not abuse its discretion in relying on photographs to analyze infringement.

As to the excluded testimony and reports, a district court may admit ordinary observer witness testimony to determine substantial similarity, but is not required to do so. *Braun*, 975 F.2d at 821 ("[A fact finder] does not necessarily require empirical evidence as to whether ordinary observers would be deceived."). "Likelihood of confusion as to the source of the goods is not a necessary or appropriate factor for determining infringement of a design patent." *Unette Corp. v. Unit Pack Co.*, 785 F.2d 1026, 1029 (Fed. Cir. 1986). Accordingly, the district court did not abuse its discretion. The district court correctly concluded that there is no genuine dispute over any material facts and that no reasonable fact finder could have found infringement. Summary judgment of noninfringement was therefore appropriate.

C.

The district court did not err in granting summary judgment denying Minka's state law claims of unfair competition and unjust enrichment. Minka's unfair competition claim is based on either infringement or misappropriation. Craftmade did not infringe, so the only basis for unfair competition would be misappropriation. To prove misappropriation, Minka must establish Craftmade's "use of that product in competition with the plaintiff, thereby gaining a special advantage in that competition." *U.S. Sporting Prods., Inc. v. Johnny Stewart Game Calls, Inc.*, 865 S.W.2d 214, 218 (1993). Because Craftmade's fans do not infringe and thus are not even substantially similar to the protected design, Minka did not "use" and thus did not misappropriate the design.

*Appendix A*

Minka's unjust enrichment claim is based on its unfair competition and infringement claims. Because neither claim prevailed, the district court properly granted summary judgment of no unjust enrichment.

## APPENDIX B — ORDER AND JUDGMENT OF THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS, DALLAS DIVISION DATED JUNE 14, 2002

**IN THE UNITED STATES DISTRICT COURT**
**FOR THE NORTHERN DISTRICT OF TEXAS**
**DALLAS DIVISION**

CIVIL ACTION NO.
3:00-CV-0888-G

MINKA LIGHTING, INC., ET AL.,

Plaintiffs,

VS.

CRAFTMADE INTERNATIONAL, INC.,

Defendant.

**ORDER**

After making an independent review of the pleadings, files and records in this case, and the Findings and Recommendation of the United States Magistrate Judge, I am of the opinion that the findings and recommendation of the Magistrate Judge are correct and they are adopted as the findings and conclusions of the court.

*Appendix B*

It is therefore **ORDERED** that the findings and recommendation of the United States Magistrate Judge are adopted. Defendant's motion for summary judgment on non-infringement of the plaintiff's patent is **GRANTED**.

June 14, 2002.

s/ A. Joe Fish
A. JOE FISH
Chief Judge

**APPENDIX C — FINDINGS AND RECOMMENDATION OF THE UNITED STATES MAGISTRATE JUDGE OF THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS, DALLAS DIVISION DATED AND FILED MAY 15, 2002**

**IN THE UNITED STATES DISTRICT COURT**
**NORTHERN DISTRICT OF TEXAS**
**DALLAS DIVISION**

NO. 3:00-CV-0888-G

MINKA LIGHTING, INC., ET AL.,

Plaintiffs,

VS.

CRAFTMADE INTERNATIONAL, INC.,

Defendant.

**FINDINGS AND RECOMMENDATION OF THE UNITED STATES MAGISTRATE JUDGE**

Defendant Craftmade International, Inc. ("Craftmade") has filed a motion for summary judgment on the issue of non-infringement in this design patent case.[1] The motion has been referred to United States Magistrate Judge Jeff Kaplan for recommendation pursuant to 28 U.S.C. § 636(b) and a standing order of reference dated February 5, 2001.

---

1. Plaintiffs also sue for unfair competition and unjust enrichment. (Plf. Third Am. Compl. ¶¶ 19-22, 23-25). Defendant does not seek summary judgment as to those claims.

*Appendix C*

**I.**

Plaintiffs Pan Air Electric Co., Ltd. and Minka Lighting, Inc. (collectively referred to as "Minka") hold a patent on the ornamental design for a combined ceiling fan and light fixture. (U.S. Patent No. 380,539). The commercial embodiment of the '539 patent is the Viper ceiling fan, which was introduced into the United States market in 1996. By this suit, Minka alleges that two competing products, the Craftmade Ceifro and Solo ceiling fans, infringe on the '539 patent. Craftmade denies any infringement and maintains that the patent in-suit is invalid and unenforceable for a variety of reasons.

The case is before the Court on Craftmade's motion for summary judgment on the issue of non-infringement. The motion has been fully briefed by the parties and is ripe for determination.

**II.**

Summary judgment is proper when there is no genuine issue as to any material fact and the movant is entitled to judgment as a matter of law. Fed. R. Civ. P. 56(c); *Celotex Corp. v. Catrett*, 477 U.S. 317, 322, 106 S.Ct. 2548, 2552, 91 L.Ed.2d 265 (1986). A dispute is "genuine" if the issue could be resolved in favor of either party. *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574, 586, 106 S.Ct. 1348, 1356, 89 L.Ed.2d 538 (1986); *Thurman v. Sears, Roebuck & Co.*, 952 F.2d 128, 131 (5th Cir.), *cert. denied*, 113 S.Ct. 136 (1992). A fact is "material" if it might reasonably affect the outcome of the case. *Anderson v. Liberty*

*Lobby, Inc.*, 477 U.S. 242, 248, 106 S.Ct. 2505, 2510, 91 L.Ed.2d 202 (1986); *Matter of Gleasman*, 933 F.2d 1277, 1281 (5th Cir. 1991).

A movant who does not have the burden of proof at trial must point to the absence of a genuine fact issue. *Duffy v. Leading Edge Prods., Inc.*, 44 F.3d 308, 312 (5th Cir. 1995); *Tubacex, Inc. v. M/V Risan*, 45 F.3d 951, 954 (5th Cir. 1995). The burden then shifts to the nonmovant to show that summary judgment is not proper. *Duckett v. City of Cedar Park*, 950 F.2d 272, 276 (5th Cir. 1992). The parties may satisfy their respective burdens by tendering depositions, affidavits, and other competent evidence. *Topalian v. Ehrman*, 954 F.2d 1125, 1131 (5th Cir), *cert. denied*, 113 S.Ct. 82 (1992). All the evidence must be viewed in the light most favorable to the party opposing the motion. *Rosado v. Deters*, 5 F.3d 119, 122 (5th Cir. 1993); *Reid v. State Farm Mut. Auto. Ins. Co.*, 784 F.2d 577, 578 (5th Cir. 1986). However, conclusory statements, hearsay, and testimony based merely on conjecture or subjective belief are not competent summary judgment evidence. *Topalian*, 954 F.2d at 1131.

**III.**

A design patent protects the non-functional aspects of an ornamental design as shown in the patent. *Elmer v. ICC Fabricating, Inc.*, 67 F.3d 1571, 1577 (Fed. Cir. 1995); *KeyStone Retaining Wall Sys., Inc. v. Westrock, Inc.*, 997 F.2d 1444, 1450 (Fed. Cir. 1993). Determining whether a design patent claim has been infringed involves a two-step process. First, as with a utility patent, the claim must be properly construed to determine its meaning and scope. *Elmer*, 67 F.3d at 1577, *citing Markman*

*v. Westway Instruments, Inc.*, 52 F.3d 967, 975 (Fed. Cir. 1995), *aff'd*, 116 S.Ct. 1384 (1996). Second, the claim as properly construed must be compared to the accused design to determine whether there has been infringement. *Id.* In this second step, the patented and accused designs are compared for overall visual similarity:

> [I]f, in the eye of an ordinary observer, giving such attention as a purchaser usually gives, two designs are substantially the same, if the resemblance is such as to deceive such an observer, inducing him to purchase one supposing it to be the other, the first one patented is infringed by the other.

*Id.*, *quoting Gorham Co. v. White*, 81 U.S. (14 Wall.) 511, 528, 20 L.Ed. 731 (1871). Where a patented design is composed of functional as well as ornamental features, "to prove infringement a patent owner must establish that an ordinary person would be deceived by reason of the common features in the claimed and accused designs which are ornamental." *Id.*, *quoting Read Corp. v. Portec, Inc.*, 970 F.2d 816, 825 (Fed. Cir. 1992). In addition, "the accused design must appropriate the novel ornamental features of the patented design that distinguish it from the prior art." *Id.*, *citing Oakley, Inc. v. International Tropic-Cal, Inc.*, 923 F.2d 167, 169 (Fed. Cir. 1991). The inquiry as to whether the accused design appropriates novel ornamental features of the patented design, also known as the "point of novelty" test, is separate and independent from the ordinary observer test. *See Unidynamics Corp. v. Automatic Prods. Int'l, Ltd.*, 157 F.3d 1311, 1323 (Fed. Cir. 1998). A patent holder must prove both substantial similarity from the standpoint of an ordinary observer and appropriation of the point of novelty in order

to establish infringement of a design patent. *Sun Hill Indus., Inc. v. Easter Unlimited, Inc.*, 48 F.3d 1193, 1197 (Fed. Cir. 1995); *Shelcore, Inc. v. Durham Indus., Inc.*, 745 F.2d 621, 628 n.16 (Fed. Cir. 1984).

A.

The first step in the infringement analysis is construing the meaning and scope of the patent claim. *OddzOn Prods., Inc. v. Just Toys, Inc.*, 122 F.3d 1396, 1405 (Fed. Cir. 1997). The proper construction of design patent focuses on the overall visual impression of its ornamental features. *Durling v. Spectrum Furniture Co.*, 101 F.3d 100, 104 (Fed. Cir. 1996). *See also OddzOn*, 122 F.3d at 1405 (scope of design patent is limited to its "overall visual impression"). Here, the Court has construed the claimed design as follows:

> The '539 design patent claim is directed to an ornamental design for a combined ceiling fan and light having fan blades that overlie corresponding arms of a central bracket. The central bracket has a circular central opening through which a light fixture dome protrudes downward. The bracket has curved, fin-shaped arms, each of which sweeps outward from its base at the central opening and each of which terminates in a slightly rounded tip. The arms of the bracket are equally spaced about the central opening, and the length of each bracket arm is roughly one-third the length of the corresponding blade. The light fixture dome exhibits a partial sphere that transitions into a generally cylindrical portion adjacent the central

bracket. A central housing, located above the fan blades, exhibits a generally cylindrical portion just above the fan blades that transitions into a concave portion.

When viewed from below, the fin-shaped arms of the central bracket [sweep] outward from the central opening in a clockwise direction, which gives the appearance of a "running" pointed star. A symmetrical, elongated, generally football shaped cutout appears behind the leading edge of each arm. The fan blades are also swept in the clockwise direction, with the leading edges of the blades forming a sweeping curve near the bracket central opening. The trailing edges of the blades are straight but slightly offset from a diameter of the bracket central opening. The trailing edge of each blade smoothly transitions into the trailing edge of the corresponding bracket arm, which further forms a curved transition into the leading edge of the next bracket arm. A gently receding arc in front of each bracket arm's leading edge runs from the tip of each arm to the middle of the smooth transition. Each fan blade terminates in a gently rounded corner on the leading edge and a sharply angled, rounded corner on the trailing edge. From its tip, the trailing edge of each bracket arm flares inwardly and rearwardly away from the straight trailing edge of the corresponding blade until it intersects the leading edge of the following blade. Due to the sweep of the bracket arms, the leading edge of each fan blade is substantially

> more exposed than in the trailing edge of each fan blade.
>
> When viewed from above, the fan blades are swept in the counter-clockwise direction, which also gives the appearance of a pointed "running" star. Also when viewed from above, the trailing edge of the bracket arm is visible at the base of each fan blade.

*Minka Lighting, Inc. v. Craftmade Int'l, Inc.*, 2001 WL 1012685 at *22-23 (N.D. Tex. Aug. 20, 2001) (Kaplan, M.J.), *adopting* Rep. & Rec. of Special Master (May 16, 2001).[2]

**B.**

Next, the properly construed claim must be compared to the accused design for overall visual similarity. *OddzOn*, 122 F.3d at 1405. The Court will analyze the design of the Craftmade Cefiro and Solo ceiling fans separately.

---

2. The special master declined to address issues of functionality and points of novelty in his claim construction recommendation. Instead, he suggested that the Court:

> [M]odify the foregoing "construction" of the '539 patent claim to eliminate primarily functional features, if any . . . [and] leave to the jury the task of determining what point or points of novelty distinguish the '539 patent design from the prior art, as well as to determine whether the accused product has appropriated the same."

*Minka Lighting*, 2001 WL 1012685 at *25.

*Appendix C*

**1.**

The claimed design of the '539 patent, as embodied in the Minka Viper,[3] incorporates a combined ceiling fan and light with curved fan blades and fin-shaped bracket arms with football-shaped cutouts that sweep outwardly from the bracket base in a clockwise direction, giving the appearance of a "running pointed star." (*See* Def. App. at 1-5; Plf. App. at 67-69). However, none of these distinctive ornamental features are found on the Cefiro fan. Instead, the Cefiro has fan blades with straight leading edges and layered, crab-claw shaped bracket arms that cover both the leading and trailing edges of the blades, giving the appearance of a blazing sun. (*See* Def. App. at 8-9). Although the bracket arms on the leading edges of the Cefiro blades have a slight curve, they do not create the same sweeping look of the Viper blades.

In an attempt to show substantial similarity of the patented and accused designs, Minka points to the deposition testimony of Neil Fleisher, a Viper retailer. Fleisher testified that an unidentified consumer came into his showroom and said that "he purchased what he thought could have been a Viper at a lot lower price at Lowe's . . ." (Plf. App. at 85).

---

3. It is undisputed that there is no material difference between the design shown in the '539 patent and the Minka Viper. Therefore, to obtain a better comparison, the Court will examine both the patent drawings and pictures of the Viper contained in the summary judgment record. *See Braun, Inc. v. Dynamics Corp. of Am.*, 975 F.2d 815, 820 n.8 (Fed. Cir. 1992) ("When, as here, no significant distinction in design has been shown between the patent drawing and its physical embodiment, it is not error for the court to view them both, and to compare the embodiment of the patented design with the accused device.").

This testimony does not raise a fact issue for two reasons. First, there is no evidence that the fan purchased by this customer was a Cefiro.[4] Second, the mere possibility that one customer may have confused the Viper and Cefiro fans does not necessarily mean that an "ordinary purchaser" would not find the two substantially similar. *See Child Craft Indus., Inc. v. Simmons Juvenile Prods. Co.*, 990 F.Supp. 638, 644 (S.D. Ind. 1998). While actual customer confusion may be relevant, "[n]othing in *Gorham* suggests that, in finding design patent infringement, a trier of fact may not as a matter of law rely exclusively or primarily on a visual comparison of the patented design, as well as the device that embodies the design, and the accused device's design." *Id.*, *quoting Braun, Inc. v. Dynamics Corp. of Am.*, 975 F.2d 815, 821 (Fed. Cir. 1992). Based on a visual comparison of the Cefiro ceiling fan and the '539 patent and its commercial embodiment, the Court concludes as a matter of law that the two designs present a different overall impression and are not substantially similar.[5]

---

4. Minka argues that "[i]n view of the fact that Lowe's carried the Cefiro ceiling fan until very recently, it is likely that the Lowe's ceiling fan at issue was the Cefiro, or at a minimum, it creates a material fact issue about whether consumers have been deceived about Defendant's ceiling fans." (Plf. Br. at 19-20) (internal citation omitted). The fact that the ceiling fans purchased at Lowe's *could have been* Craftmade Cefiros is too speculative and, as such, does not raise a genuine issue of material fact for trial. Moreover, the statement allegedly made to Fleisher by this unidentified customer is rank hearsay.

5. Minka points to similarities in the light fixture domes and the central housing units of the Cefiro and Viper fans. However, any similarities in these components, when viewed in context of the design as a whole, do not create a substantially similar overall visual impression.

*Appendix C*

**2.**

The Court further determines that the claimed design of the '539 patent and the Solo ceiling fan are not substantially similar as a matter of law. The Solo fan does not have the same curved blades as shown in the '539 patent and embodied in the Minka Viper. (*See* Def. App. at 6-7, 78-80). While the leading edges of the Solo blades are slightly curved and attached to curved bracket arms, the overall visual impression of the Solo is distinct from the Viper. The tiered bracket arms of the Solo fan, which cover a portion of the leading edges of the blades, do not create the same sweeping curve created by the Viper blades. Rather, the Solo has a straighter, more pointed look. Nor do the Solo bracket arms have "elongated football-shaped cut outs" or a "gently receding arc in front of each bracket arm's leading edge [which] runs from the tip of each arm to the middle of the smooth transition" as contemplated by the '539 patent. Although Minka tries to downplay its bracket arm design, this unique ornamental feature significantly contributes to the curved and flowing appearance of the Viper. By contrast, the Solo fan has tiered and "dagger-looking" bracket arms. Moreover, the Viper bracket arms do not cover the leading edges of the fan blades. The visual effect of this design creates a "smooth transition" from the arc of the bracket arm to the trailing edge of the fan blade, drawing attention to the clockwise curve of the fan. The design of the Solo bracket arms does not create this same curved impression.

Minka points to the results of consumer survey conducted by its expert to show that "ordinary observers actually do believe that the Solo ceiling fan is substantially similar to

the patented design." (Plf. Br. at 11). This survey shows that, out of 220 people polled in Houston and Los Angeles, 71 percent thought that the Solo and Viper had "substantially the same design." (Plf. App. at 65). Ninety-four percent of the 71 percent attributed the similarities to the "curves and contours" of the fans. (*Id.* at 66). Minka claims that this evidence precludes summary judgment on the issue of non-infringement.

Assuming *arguendo* that this evidence is admissible, the Court nevertheless finds that it fails to create a genuine issue of material fact for trial. As previously noted, the Court may rely "exclusively or primarily on a visual comparison of the patented design, as well as the device that embodies the design [ ] and the accused device's design" in determining infringement or non- infringement. *Braun*, 975 F.2d at 821; *see also Child Craft*, 990 F.Supp. at 644 (survey evidence of consumer confusion did not create genuine issue of material fact regarding substantial similarity); *Pacific Handy Cutter, Inc. v. Quick Point, Inc.*, 1997 WL 607501 at *4 (C.D. Cal. Jul. 7, 1997), *aff'd*, 178 F.3d 1307 (Fed. Cir. 1998) (Table), *cert. denied*, 119 S.Ct. 1457 (1999) (explaining that evidence relating to consumer confusion would not raise a triable issue of fact because the court had already determined by visual comparison that designs were not substantially similar). Based on a visual comparison of the Viper and Solo fans, the Court has concluded that the patented and accused designs are not substantially similar. The survey results proffered by Minka cannot create a fact issue where none exists.

Moreover, the survey is problematic in the absence of a precise definition of "substantial similarity." For example,

in the copyright infringement context, trial courts have refused to consider survey evidence purportedly showing a substantial similarity between an accused and protected work where the court determined, as a matter of law, that no substantial similarity existed. The Second Circuit has explained the problem with survey evidence as follows:

> The "substantial similarity" that supports an inference of copying sufficient to establish infringement . . . is not a concept familiar to the public at large. It is a term to be used in the courtroom to strike a delicate balance between the protection to which authors are entitled under an act of Congress and the freedom that exists for all others to create their works outside the area protected against infringement . . . [W]hen a trial judge has correctly ruled that two works are not substantially similar as a matter of law, *that conclusion is not altered by the availability of survey evidence indicating that some people applying some standard of their own were reminded by one work of another.*

*Warner Bros., Inc. v. American Broadcasting Cos.*, 720 F.2d 231, 245 (2d Cir. 1983) (emphasis added); *see also Aaron Basha Corp. v. Felix B. Vollman, Inc.*, 88 F.Supp.2d 226, 231-32 (S.D.N.Y. 2000) (trial court declined to consider survey evidence purportedly showing that lay observers found two baby shoe pendants "substantially similar"). Here, the Court has resolved the issue of substantial similarity as a matter of law. Evidence that some people, applying their own

definitions, may find the designs to be "substantially the same" is insufficient to create a triable issue.[6]

**C.**

As no reasonably jury could find a substantial similarity between the Craftmade Cefiro and Solo fans and the '539 patent, there is no infringement as a matter of law. Consequently, the Court need not address the point of novelty test.

**RECOMMENDATION**

Defendant's motion for summary judgment on non-infringement should be granted.

DATED: May 15, 2002.

s/ Jeff Kaplan
JEFF KAPLAN
UNITED STATES MAGISTRATE JUDGE

---

6. For these same reasons, the deposition testimony of Linda Berg, a Minka sales representative, also fails to create a genuine issue of material fact on substantial similarity. Berg testified that some lighting distributors told her that the Craftmade Solo fan has the same look as the Minka Viper. (Plf. App. at 26-31). However, this testimony adds nothing to the Court's objective analysis based on a visual comparison of the patented design and the accused design. Moreover, any statements made to Berg by other lighting distributors are hearsay.

## APPENDIX D — ORDER OF THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT DENYING PETITION FOR REHEARING AND REHEARING EN BANC DATED AND FILED FEBRUARY 24, 2004

**UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT**

03-1162

(DCT - 00-CV-888)

MINKA LIGHTING

V

CRAFTMADE INTL

**ORDER**

A combined petition for panel rehearing and for rehearing en banc having been filed by the APPELLANT, and the petition for rehearing having been referred to the panel that heard the appeal, and thereafter the petition for rehearing en banc having been referred to the circuit judges who are in regular active service,

UPON CONSIDERATION THEREOF, it is

ORDERED that the petition for panel rehearing be, and the same hereby is, DENIED and it is further

ORDERED that the petition for rehearing en banc be, and he same hereby is, DENIED.

*Appendix D*

The mandate of the court will issue on March 2, 2004.

FOR THE COURT,

s/ Jan Horbaly
Jan Horbaly
Clerk

Dated: February 24, 2004

## APPENDIX E — RULE INVOLVED

Federal Rule of Civil Procedure

Rule 56. Summary Judgment

(a) For Claimant. A party seeking to recover upon a claim, counterclaim, or cross-claim or to obtain a declaratory judgment may, at any time after the expiration of 20 days from the commencement of the action or after service of a motion for summary judgment by the adverse party, move with or without supporting affidavits for a summary judgment in the party's favor upon all or any part thereof.

(b) For Defending Party. A party against whom a claim, counterclaim, or cross-claim is asserted or a declaratory judgment is sought may, at any time, move with or without supporting affidavits for a summary judgment in the party's favor as to all or any part thereof.

(c) Motion and Proceedings Thereon. The motion shall be served at least 10 days before the time fixed for the hearing. The adverse party prior to the day of hearing may serve opposing affidavits. The judgment sought shall be rendered forthwith if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law. A summary judgment, interlocutory in

character, may be rendered on the issue of liability alone although there is a genuine issue as to the amount of damages.

(d) Case Not Fully Adjudicated on Motion. If on motion under this rule judgment is not rendered upon the whole case or for all the relief asked and a trial is necessary, the court at the hearing of the motion, by examining the pleadings and the evidence before it and by interrogating counsel, shall if practicable ascertain what material facts exist without substantial controversy and what material facts are actually and in good faith controverted. It shall thereupon make an order specifying the facts that appear without substantial controversy, including the extent to which the amount of damages or other relief is not in controversy, and directing such further proceedings in the action as are just. Upon the trial of the action the facts so specified shall be deemed established, and the trial shall be conducted accordingly.

(e) Form of Affidavits; Further Testimony; Defense Required. Supporting and opposing affidavits shall be made on personal knowledge, shall set forth such facts as would be admissible in evidence, and shall show affirmatively that the affiant is competent to testify to the matters stated therein. Sworn or certified copies of all papers or parts thereof referred to in an affidavit shall be attached thereto or served therewith. The court may permit affidavits to be supplemented or opposed by depositions, answers to interrogatories, or further

affidavits. When a motion for summary judgment is made and supported as provided in this rule, an adverse party may not rest upon the mere allegations or denials of the adverse party's pleading, but the adverse party's response, by affidavits or as otherwise provided in this rule, must set forth specific facts showing that there is a genuine issue for trial. If the adverse party does not so respond, summary judgment, if appropriate, shall be entered against the adverse party.

(f) When Affidavits are Unavailable. Should it appear from the affidavits of a party opposing the motion that the party cannot for reasons stated present by affidavit facts essential to justify the party's opposition, the court may refuse the application for judgment or may order a continuance to permit affidavits to be obtained or depositions to be taken or discovery to be had or may make such other order as is just.

(g) Affidavits Made in Bad Faith. Should it appear to the satisfaction of the court at any time that any of the affidavits presented pursuant to this rule are presented in bad faith or solely for the purpose of delay, the court shall forthwith order the party employing them to pay to the other party the amount of the reasonable expenses which the filing of the affidavits caused the other party to incur, including reasonable attorney's fees, and any offending party or attorney may be adjudged guilty of contempt.

No. 03-1588

Supreme Court, U.S.
JUL 26 2004
OFFICE OF THE CLERK

IN THE

# Supreme Court of the United States

MINKA LIGHTING, INC.,

*Petitioner,*

*v.*

CRAFTMADE INTERNATIONAL, INC.,

*Respondent.*

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

## BRIEF IN OPPOSITION

MICHAEL D. PEGUES
*Counsel of Record*
LADAWN H. CONWAY
MUNSCH HARDT KOPF & HARR, P.C.
1445 Ross Avenue, Suite 4000
Dallas, TX 75202
(214) 855-7500

*Attorneys for Respondent*

188730

COUNSEL PRESS
(800) 274-3321 • (800) 359-6859

## QUESTIONS PRESENTED

In a trilogy of cases decided in 1986, this Court made it clear that, faced with a motion for summary judgment, the party with the burden of proof may not rest on his allegations but must present "significant probative evidence" supporting his complaint. *See Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 249 (1986); *Celotex Corp. v. Catrett*, 477 U.S. 317, 322-23 (1986). *See also Matsushita Electric Indus. Co., Ltd. v. Zenith Radio Corp.*, 475 U.S. 574, 587 (1986). The Court held that, if the evidence submitted is not "significantly probative," summary judgment may be granted. *Anderson*, 477 U.S. at 249. To date, the Court has not excluded from these standards any particular type of case.

The net effect of Petitioner's arguments is that the important "gate-keeping" function judges perform in summarily disposing of claims that have no factual basis simply does not apply in the design patent context. This cannot be the law. The decisions granting and affirming summary judgment in this area correctly recognize the responsibility courts have to monitor the outer limits within which juries may determine reasonably disputed issues of fact, and the competency of the judiciary to determine when two designs so clearly lack substantial similarity as to fall outside those limits.

The questions presented are:

1. In view of *both* the Court's standard for design patent infringement articulated in *Gorham Co. v. White*, 81 U.S. (14 Wall.) 511 (1871) and the Court's framework for summary judgment stated in *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242 (1986) and *Celotex Corp. v. Catrett*, 477 U.S. 317 (1986), was it appropriate to affirm summary judgment

of noninfringement when the record was devoid of any competent empirical evidence that ordinary purchasers consider the patented and accused designs to be "substantially similar," as defined in *Gorham*?

2. Whether allowing trial courts to perform their responsibility of monitoring the outer limits within which juries may determine reasonably disputed issues of fact through the use of the summary judgment process comports with both *Gorham*'s standard for patent infringement and *Anderson* and *Celotex*'s standards for summary judgment?

## STATEMENT PURSUANT TO RULE 29.6

Respondent Craftmade International, Inc. has no parent companies and no publicly held company owns 10% or more of Respondent's stock.

## TABLE OF CONTENTS


| | Page |
|---|---|
| QUESTIONS PRESENTED | i |
| STATEMENT PURSUANT TO RULE 29.6 | iii |
| TABLE OF CONTENTS | iv |
| TABLE OF CITED AUTHORITIES | vi |
| I. REASONS FOR DENYING THE PETITION | 1 |
| II. STATEMENT OF THE CASE | 3 |
| A. CRAFTMADE'S SOLO AND CEFIRO CEILING FANS | 3 |
| B. THE DISTRICT COURT'S SUMMARY JUDGMENT OF NONINFRINGEMENT | 4 |
| C. THE FEDERAL CIRCUIT'S UNPUBLISHED, NON-PRECEDENTIAL OPINION AFFIRMING THE DISTRICT COURT'S JUDGMENT | 6 |
| III. ARGUMENT | 6 |
| A. THIS IS NOT THE CASE FOR ANSWERING THE QUESTION OF WHETHER A TRIAL COURT MAY IGNORE LEGITIMATE "ORDINARY PURCHASER" EVIDENCE | 6 |

*Contents*

*Page*

1. Minka Was Required To Submit "Significant Probative Evidence" To Avoid Summary Judgment ..... 7

2. Minka's Evidence Was Flawed And, Accordingly, Failed To Raise A Material Issue Of Fact ..... 8

B. IN ANY EVENT, THE ANSWER TO THE QUESTION IS *YES*—THERE ARE CIRCUMSTANCES WHEN SUMMARY DISPOSITION IS APPROPRIATE, EVEN IN THE FACE OF CONSUMER CONFUSION EVIDENCE ..... 12

1. Courts Have An Important Responsibility, And Are Competent, To Monitor The "Outer Limits" Within Which Juries May Determine Reasonably Disputed Issues Of Fact ..... 12

2. Consumer Confusion Evidence Has Little Probative Value In Proving "Substantial Similarity" Under The *Gorham* Test ..... 15

IV. CONCLUSION ..... 17

## TABLE OF CITED AUTHORITIES

**Cases** *Page*

*Aaron Basha Corp. v. Felix B. Vollman, Inc.*,
88 F. Supp.2d 226 (S.D.N.Y. 2000) ..... 9, 14

*Anderson v. Liberty Lobby, Inc.*,
477 U.S. 242 (1986) ..... *passim*

*Bush Indus., Inc. v. O'Sullivan Indus., Inc.*,
772 F. Supp. 1442 (D. Del. 1991) ..... 13

*Celotex Corp. v. Catrett*,
477 U.S. 317 (1986) ..... *passim*

*Child Craft Indus., Inc. v. Simmons Juvenile Prod. Co, Inc.*,
990 F. Supp. 638 (S.D. Ind. 1998) ..... 11, 13

*Contessa Food Prod., Inc. v. Conagra*,
282 F.3d 1370 (Fed. Cir. 2002) ..... 15

*Gorham Co. v. White*,
81 U.S. (14 Wall.) 511 (1871) ..... *passim*

*Hamil America, Inc. v. GFI*,
193 F.3d 92 (2d Cir. 1999) ..... 14

*Hoehling v. Universal City Studios*,
618 F.2d 972 (2d Cir.), *cert. denied*,
449 U.S. 841 (1980) ..... 14

*Cited Authorities*

*Page*

*Improvement Co. v. Munson*,
14 Wall. 442 (1872) ..... 8

*Keystone Retaining Wall Sys., Inc. v. Westrock, Inc.*,
997 F.2d 1444 (Fed. Cir. 1993) ..... 13

*Matsushita Electric Indus. Co., Ltd. v. Zenith Radio Corp.*,
475 U.S. 574 (1986) ..... i

*Moen Inc. v. Foremost Int'l Trading, Inc.*,
38 F. Supp.2d 680 (N.D. Ill. 1999) ..... 13-14

*Munoz v. Orr*,
200 F.3d 291 (5th Cir.), *cert. denied*,
531 U.S. 812 (2000) ..... 10

*Nelson v. Grisham*,
942 F. Supp. 649 (D.D.C. 1996) ..... 14

*Puritan-Bennett Corp. v. Penox Technologies Inc.*,
No. IP02-0762-C-M/S, 2004 WL 866618
(S.D. Ind. March 2, 2004) ..... 11, 13

*Spalding & Evenflo Companies Inc. v. Graco Metal Prod. Inc.*,
18 U.S.P.Q.2d 2029 (N.D. Ohio 1991) ..... 11

*Cited Authorities*

*Page*

*Summers v. Laubach*,
191 U.S.P.Q. 114 (D. Kan. 1974) ..... 9, 13, 15

*Tecumseh Prod. Co. v. Briggs & Stratton Corp.*,
295 F. Supp.2d 902 (E.D. Wis. 2003) ..... 10, 13, 15

*The Goodyear Tire & Rubber Co. v. The Hercules Tire & Rubber Co., Inc.*,
162 F.3d 1113 (Fed. Cir. 1998) ..... 8

*Warner Bros, Inc. v. American Broadcasting Companies, Inc.*,
720 F.2d 231 (2d Cir. 1983) ..... *passim*

*Winner Int'l Corp. v. Wolo Mfg. Corp.*,
905 F.2d 375 (Fed. Cir. 1990),
*disapproved on other grounds, Cardinal Chem Co. v. Morton Int'l, Inc.*, 508 U.S. 83 (1993) ..... 11

**Rule**

FED. R. CIV. P. 56(e) ..... 7

**Miscellaneous**

10B CHARLES ALAN WRIGHT, ARTHUR R. MILLER & MARY KAY KANE, FEDERAL PRACTICE AND PROCEDURE § 2732.1 (3d ed. 1998) ..... 13

## I.

## REASONS FOR DENYING THE PETITION

Respondent respectfully requests that the Court deny the petition for writ of certiorari. The courts below concluded that the lack of substantial similarity between the patented and accused designs is so clear as to fall outside the range of reasonably disputed fact questions requiring resolution by a jury. Petitioner challenges this conclusion by posing the broad question of whether, given the standard set down by this Court in *Gorham Co. v. White*, 81 U.S. (14 Wall.) 511 (1871), a court may ignore legitimate "ordinary purchaser" evidence and grant summary judgment of noninfringement based solely on its own comparison of the patented and accused designs.

This is not the case to decide this question. Petitioner presented no "legitimate" ordinary purchaser evidence. The survey proffered by Petitioner failed to define "substantial similarity" or otherwise incorporate the concept of consumer *deception* at the heart of the *Gorham* test and, accordingly, carried marginal, if any, probative value on the issue of "substantial similarity" between the patented and accused designs.[1] Petitioner's other evidence purporting to reflect confusion by individual purchasers was also flawed. As a result, even if believed, Petitioner's evidence had very

---

1. The test for infringement under *Gorham* is:

> If, in the eye of the ordinary observer, giving such attention as a purchaser usually gives, two designs are substantially the same, if the resemblance is such as to deceive such an observer, inducing him to purchase one supposing it to be the other, the first one patented is infringed by the other.

81 U.S. (14 Wall.) at 528.

little probative value on the issue of "substantial similarity" as defined in *Gorham*. Petitioner simply failed to carry its summary judgment burden under *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242 (1986) and *Celotex Corp. v. Catrett*, 477 U.S. 317 (1986) of presenting "significant probative evidence" tending to support its complaint of infringement.

In any event, should the Court entertain petitioner's question, the answer is "yes"—there are circumstances in which courts may conclude, based solely on their own comparison of the patented and accused designs, that the lack of substantial similarity is so clear as to fall outside the range of reasonably disputed fact questions requiring resolution by a jury. This is so, even in the face of empirical evidence purporting to demonstrate actual confusion by consumers. Indeed, there is legitimate doubt about whether such evidence is probative on the issue of "substantial similarity" under *Gorham* because the test is objective and involves the hypothetical purchaser. Regardless, where, as here, disputed designs are simple and the lack of substantial similarity is clear, courts have an important responsibility to monitor the outer limits within which juries may determine reasonably disputed issues of fact. Petitioner's position that courts may not decide infringement issues as a matter of law undercuts this responsibility and the summary judgment process designed to end meritless litigation and avoid lengthy and costly trials. The Petition should accordingly be denied.

## II.

## STATEMENT OF THE CASE

### A. Craftmade's Solo And Cefiro Ceiling Fans

Founded in 1985, Respondent Craftmade International, Inc. ("Craftmade" or "Respondent") designs, distributes and markets superior quality ceiling fans, light kits and related accessories. In the latter part of 1998, Craftmade received calls from its distributors around the country asking Craftmade to add more contemporary fans to its ceiling fan inventory. (A404-05[2]) In response, Craftmade retained an independent designer to design such a fan. (A404-05; A421) In making this request, Craftmade neither gave the designer any idea or sense of what the fan was to look like, nor asked him to look at any fans in connection with the new design project. (A405-06; A421)

When the designer sat down to design the fan, he believed Craftmade's contemporary fan inventory had too soft of a feel, and his goal was to create "something real contemporary, straight edge, hard line." (A407-08) He planned to achieve this harder feel by incorporating more "straight line edges" with "crisp, clean lines." (A408) Of the contemporary ceiling fans on the market at the time, the only fan that influenced the designer was the "Stealth" ceiling fan, designed by Casablanca Industries, Inc. ("Casablanca"), and that influence was limited to the fan's blade angle. (A410) While working on the project, the designer did not have in his possession any sketches, designs or photographs of Minka's Viper ceiling fan. (A417)

---

2. Citations to "A__" are to non-confidential materials included in the parties' Confidential Joint Appendix filed in conjunction with Minka's appeal to the Federal Circuit.

In January 1999, Craftmade reviewed the designer's drawings, selected two for development, and ultimately produced the Solo and Cefiro ceiling fans. (A412; A420; A446; A487-88) While Minka claims innovative responsibility for the swept fan blade seen in both Minka's Viper and Craftmade's Solo and Cefiro fans, that look originated with Casablanca's introduction of the Stealth fan into the contemporary fan market in 1991—some five years prior to Minka's production of the Viper.

### B. The District Court's Summary Judgment of Noninfringement

Claiming "substantial similarity" between its Viper fan and related U.S. Design Patent No. 380,539 (the "'539 Patent"), and Craftmade's Solo and Cefiro fans, Minka sued Craftmade for design patent infringement. After claim construction and limited discovery, Craftmade moved for summary judgment, asserting that an element—substantial similarity—of Minka's infringement claim lacked essential evidentiary support. (A368-96) In response, Minka submitted an expert report based on a survey of 220 participants. (A203) The survey involved a comparison of Minka's Viper fan with Craftmade's Solo and two other fans; the survey did not include Craftmade's Cefiro fan. (A201-05)

Notably, Minka's expert did not limit the survey participants to people who had recently purchased or shopped for ceiling fans—people who had merely lived in a household with someone who had bought or shopped for a fan were also included as participants. (A204) Further, the survey itself neither defined for the participants "substantial similarity" in any respect, nor asked the participants whether any "similarities" among the fans would cause them to be

deceived into purchasing one fan thinking it one of the others. (A201-05) Instead, the participants were asked only if any of the three comparison fans had "substantially the same design" as Craftmade's Solo fan. (A204)

In granting summary judgment in favor of Craftmade, the district court compared Minka's relatively simple design with Craftmade's fans, and concluded that the lack of substantial similarity was so clear as to fall outside the range of reasonable dispute. The district court did not—as Minka contends—"ignore" Minka's survey and other summary judgment evidence. Rather, the court specifically considered and discussed at length the probative value of Minka's evidence. (*Minka I*, App. C, at 22a-23a[3]) Finding the evidence of little probative value, the court emphasized the absence of a precise (or, indeed, any) definition of "substantial similarity" in the survey proffered by Minka. (*Minka I*, App. C, at 22a-23a) The court reasoned that a survey reflecting that some people, "applying their own definitions, may find the designs to be 'substantially the same' is insufficient to create a triable issue." (*Minka I*, App. C, at 23a-24a)[4]

---

3. References to the opinions of the lower courts are in the format suggested by Minka in its Petition and to the Petition's Appendix.

4. The district court also expressly pointed out the defective nature—and consequential lack of probative value—of Minka's other summary judgment evidence. (*Minka I*, App. C, at 24a n.6)

### C. The Federal Circuit's Unpublished, Non-Precedential Opinion Affirming the District Court's Judgment

In an unpublished, non-precedential opinion, the Court of Appeals for the Federal Circuit affirmed the district court's summary judgment. In affirming, the Federal Circuit confirmed that Minka failed to present a genuine dispute over any material facts and that no reasonable fact finder could have found infringement. (*Minka II*, App. A, at 8a)

## III.

## ARGUMENT

### A. This Is Not The Case For Answering The Question Of Whether A Trial Court May Ignore Legitimate "Ordinary Purchaser" Evidence

Minka's Petition rests upon the premise that the lower courts ignored competent empirical evidence that ordinary purchasers consider the patented and accused designs to be substantially the same. (Petition at i, 3, 5, 7-18) This premise is incorrect. Minka's "legitimate ordinary purchaser evidence" was an expert report based on a flawed survey. Accordingly, even if the question raised by Minka is interesting, this is not the case for answering it. This case involves nothing more than Minka's failure to submit competent evidence in response to Craftmade's motion for summary judgment. The courts below considered Minka's evidence, found it lacking in probative value, and properly granted Craftmade summary judgment.

### 1. Minka Was Required To Submit "Significant Probative Evidence" To Avoid Summary Judgment

A court may grant summary judgment if there are no issues of material fact in dispute and the moving party is entitled to judgment as a matter of law. FED. R. CIV. P. 56(e). After a party seeking summary judgment informs the district court of the basis for its motion and identifies those portions of the record that demonstrate the absence of a genuine issue of material fact, Rule 56 *mandates* the entry of summary judgment "against a party who fails to make a showing sufficient to establish the existence of an element essential to that party's case, and on which that party will bear the burden of proof at trial." *Celotex Corp. v. Catrett*, 477 U.S. 317, 322-23 (1986).

In the face of such a motion, the party with the burden of proof may not rest on his allegations but must present "significant probative evidence" tending to support his complaint. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 249 (1986). While "[t]he evidence of the nonmovant is to be believed, and all justifiable inferences are to be drawn in his favor," there is no issue for trial unless he presents "sufficient evidence" for a jury to return a verdict for that party. *Id.* If the evidence is not "significantly probative," summary judgment may be granted. *Id.* at 249-50. Consequently, even if "some" evidence has been introduced by the party having the burden of proof, to survive summary judgment, the evidence must "be of such a character that it would warrant the jury in finding a verdict in favor of that party." *Id.* at 251. In every case, "there is a preliminary question for the judge, not whether there is literally no evidence, but whether there is any upon which a jury could properly proceed to

find a verdict for the party producing it, upon whom the *onus* of proof is imposed." *Id.* (quoting *Improvement Co. v. Munson*, 14 Wall. 442, 448 (1872)). In fact, a court should grant summary judgment if it would later be bound to direct a verdict in favor of the defendant. *Celotex*, 477 U.S. at 323.

### 2. Minka's Evidence Was Flawed And, Accordingly, Failed To Raise A Material Issue Of Fact

In this case, Craftmade moved for summary judgment on the basis that the record contained insufficient evidence of substantial similarity between the patented and accused designs. (A368-96) In response, Minka submitted a report by an expert who conducted a survey of 220 participants in an attempt to demonstrate "substantial similarity" between the commercial embodiment of Minka's patented design (the "Viper") and Craftmade's Solo fan. (A201-05)

Minka's survey was significantly flawed in a number of respects, impairing its probative value. First, the survey did not define "substantial similarity" or attempt to tailor the questions to encompass the requirements of the ordinary observer test as set down by this Court in *Gorham Co. v. White*. 81 U.S. (14 Wall.) 511, 528 (1871). Instead, the survey merely asked the participants whether the three comparison fans (which included the Minka Viper) bore "substantially the same design as the [Solo fan]." (A204) "Substantially the same design" is not the test. Under *Gorham*, the measure of infringement of a design patent is *deception* of the ordinary observer — two designs are not substantially the same for purposes of infringement *unless* "the resemblance is such as to deceive such an observer, inducing him to purchase one supposing it to be the other." 81 U.S. at 528; *The Goodyear Tire & Rubber Co. v. The Hercules Tire & Rubber Co., Inc.*, 162 F.3d 1113, 1117 (Fed. Cir. 1998).

Minka's survey failed to ask whether any perceived sameness of design would deceive the participant into buying the Craftmade Solo believing it to be the Minka Viper. In other words, the concept of *deception* at the core of the *Gorham* test was missing entirely from the survey. Because of this significant flaw, the value of the survey as probative evidence of substantial similarity under the *Gorham* test is nominal, at best. *See, e.g., Aaron Basha Corp. v. Felix B. Vollman, Inc.*, 88 F. Supp.2d 226, 231-32 (S.D.N.Y. 2000) (survey proffered in copyright infringement context fatally defective where "substantial similarity" not properly defined for participants); *Warner Bros, Inc. v. American Broadcasting Companies, Inc.*, 720 F.2d 231, 244-45 (2d Cir. 1983) (survey proffered in copyright infringement context provided little probative weight on issue of substantial similarity where evidence merely indicated that some people "applying some standard of their own" were reminded by one work of the other).

The survey's value as probative evidence is further suspect because it included, as "qualified" participants, people who had neither bought a ceiling fan nor looked at ceiling fans with the intent of buying one, but who merely had someone in their immediate household buy a ceiling fan within the past two years. (A204) The possibility thus exists that the survey was comprised entirely of people who had never bought or shopped for a ceiling fan. The "ordinary observer" is not just any observer, but one who, "with less than the trained facilities of an expert, is a purchaser of things of similar design or one interested in the subject." *Summers v. Laubach*, 191 U.S.P.Q. 114, 118 (D. Kan. 1974); *Gorham*, 81 U.S. (14 Wall.) at 527 ("ordinary observers" are those who "buy and use"). The "ordinary observer" is not someone who merely lives in the same

household as someone with these qualifications. Because it encompassed people who did not qualify as an "ordinary observers" under *Gorham*, Minka's survey bears little probative weight as to the reaction a qualified ordinary observer would likely have to the claimed and accused designs.[5]

Because of these flaws, Minka's expert report reflecting the results of the survey bore limited, if any, weight on the issue of substantial similarity. Certainly, this evidence was not "significantly probative," as required to avoid summary judgment. *Anderson*, 477 U.S. at 249-50. *See Tecumseh Prod. Co. v. Briggs & Stratton Corp.*, 295 F. Supp.2d 902, 914 (E.D. Wis. 2003) (according expert report little weight and granting defendant summary judgment where expert applied wrong test in reaching his opinion on substantial similarity). The mere existence of *some* evidence in support of the plaintiff's position is insufficient; "there must be evidence

---

5. The survey further failed to meet minimum standards required to produce an objective, reliable survey product that may be used in litigation. For example, the survey failed to define its chosen population; the sample of respondents chosen was not representative of the general population; the data was not analyzed against statistical principles; both the survey and the expert's report failed to list, discuss, or analyze the procedures used during the interview process, no measures were used to ensure objectivity of the process, and the expert failed to follow his own quality control recommendation of a 30 to 50 percent "callback" rate in a legal survey. (A494-99) Because the survey and expert report lack reliability and trustworthiness, the district court correctly concluded that they did not raise a material issue of fact precluding summary judgment. *See Munoz v. Orr*, 200 F.3d 291, 301 (5th Cir.) ("If the basis for an expert's opinion is clearly unreliable, the district court may disregard that opinion in deciding whether a party has created a genuine issue of material fact."), *cert. denied*, 531 U.S. 812 (2000).

on which the jury could reasonably find for the plaintiff." *Spalding & Evenflo Companies Inc. v. Graco Metal Prod. Inc.*, 18 U.S.P.Q.2d 2029, 2031 (N.D. Ohio 1991) (quoting *Anderson*, 477 U.S. at 252). No such evidence exists in this case and summary judgment was appropriate.[6] The Court should deny Minka's Petition.

---

6. Minka's additional "evidence" of consumer deception similarly lacks probative weight. The deposition excerpts proffered by Minka failed to establish Minka's allegation that a customer purchased several Craftmade Cefiro fans at an unidentified Lowe's home improvement store believing them to be Minka's Viper fan. (A177, A187-90, A230) Additional testimony, along with being hearsay, reflected only that certain lighting distributors thought that the Craftmade Solo and Minka Viper fans had the "same look"—not that they had been mistaken one for the other, as required under *Gorham*. (A189) Further, several of Minka's deponents were lighting distributors and other professionals in the lighting industry who fail to qualify as "ordinary observers" under the *Gorham* test. Even ignoring the flaws in this evidence, the incidents recounted are limited in number and not compelling, much less "significantly probative," such that a jury would be warranted in finding a verdict in favor of Minka on the issue of substantial similarity. *See Anderson*, 477 U.S. at 251; *Child Craft Indus., Inc. v. Simmons Juvenile Prod. Co, Inc.*, 990 F. Supp. 638, 643 (S.D. Ind. 1998) (limited incidents of alleged consumer confusion not compelling on issue of substantial similarity); *Winner Int'l Corp. v. Wolo Mfg. Corp.*, 905 F.2d 375, 376 (Fed. Cir. 1990) ("one instance of actual consumer confusion is not sufficiently probative to create a genuine dispute of fact as to infringement"), *disapproved on other grounds*, *Cardinal Chem. Co. v. Morton Int'l, Inc.*, 508 U.S. 83, 92 (1993); *Puritan-Bennett Corp. v. Penox Technologies Inc.*, No. IP02-0762-C-M/S, 2004 WL 866618, *26 (S.D. Ind. March 2, 2004) (evidence a few patients called plaintiff and realized during the conversation that the product the patient was talking about was defendant's product was insufficient to raise issue of fact).

### B. In Any Event, The Answer To The Question Is *Yes*—There Are Circumstances When Summary Disposition Is Appropriate, Even In The Face Of Consumer Confusion Evidence

"Summary judgment procedure is properly regarded not as a disfavored procedural shortcut, but rather as an integral part of the Federal Rules as a whole, which are designed to secure the just, speedy and inexpensive determination of every action." *Celotex*, 477 U.S. at 327. Summary judgment must be construed "with due regard" not only for the rights of persons asserting claims, but also for the rights of those opposing such claims to demonstrate, prior to trial, that the claims have no factual basis. *Id.*

Cut to its essence, Minka's argument is that, if the plaintiff proffers evidence—however weak—of consumer confusion, a district court can never summarily decide a design patent infringement case based on its own review of the patented and accused designs, regardless of a clear lack of substantial similarity of the designs. Minka's argument cannot be correct—it would undermine the purpose of summary judgment procedure and, indeed, effectively eviscerate summary judgment practice in the design patent context.

#### 1. Courts Have An Important Responsibility, And Are Competent, To Monitor The "Outer Limits" Within Which Juries May Determine Reasonably Disputed Issues Of Fact

At least one authoritative commentator has recognized that, in cases involving relatively simple design patents, "the failure to grant a summary judgment when otherwise

appropriate would be a waste of time." 10B CHARLES ALAN WRIGHT, ARTHUR R. MILLER & MARY KAY KANE, FEDERAL PRACTICE AND PROCEDURE § 2732.1 (3d ed. 1998). This is so because, when (as in this case) the patented design is of a simple nature, not needing further elucidation, changes in the design are usually obvious and a court is competent to affirm by mere comparison that the substantial similarity or lack thereof is so clear as to fall outside the range of reasonably disputed fact questions requiring resolution by a jury. *See Summers*, 191 U.S.P.Q. at 118 ("Where, however, the designs are of a simple nature, not needing further elucidation, and the Court can affirm by mere comparison that the designs are not the same, the question of infringement is then a matter of law to be decided by the Court and summary judgment is proper"); *Tecumseh*, 295 F. Supp.2d at 916 (granting summary judgment of noninfringement because the overall look of the two products was "too dissimilar" to support a finding of infringement); *Child Craft Indus., Inc. v. Simmons Juvenile Prod. Co, Inc.*, 990 F. Supp. 638, 644 (S.D. Ind. 1998) (summary disposition appropriate where accused design presents a "readily-distinguishable overall appearance from [the patented design]"); *Bush Indus., Inc. v. O'Sullivan Indus., Inc.*, 772 F. Supp. 1442, 1450-51 (D. Del. 1991) (observing "striking differences" in accused and claimed designs and concluding that an ordinary observer would not be confused); *Puritan-Bennett Corp. v. Penox Technologies Inc.*, No. IP02-0762-C-M/S, 2004 WL 866618, *26 (S.D. Ind. March 2, 2004) (granting summary judgment of noninfringement because the differences between the patented and accused designs were "stark"); *Keystone Retaining Wall Sys., Inc. v. Westrock, Inc.*, 997 F.2d 1444, 1451 (Fed. Cir. 1993) (summary judgment ofnoninfringement appropriate based on the "substantial differences" between the accused and claimed designs); *Moen Inc. v. Foremost*

*Int'l Trading, Inc.*, 38 F. Supp.2d 680, 683 (N.D. Ill. 1999) (because faucet designs were not complicated, court could compare claimed and accused designs and render summary judgment in favor of plaintiff).

Indeed, as expressly recognized in the copyright context, courts have an important responsibility to monitor the "outer limits" within which juries may determine reasonably disputed issues of fact. *See Warner Bros. Inc. v. American Broadcasting Companies, Inc.*, 720 F.2d 231, 245 (2d Cir. 1983) (applying principle in copyright infringement context). If a case falls outside those limits, the contrary view of a properly drawn sample of the population "cannot be permitted to enlarge (or diminish) the scope of statutory protection enjoyed by a copyright proprietor." *Id.* For such cases, the use of summary judgment "is an important development permitting courts to put a swift end to meritless litigation and to avoid lengthy and costly trials." *Nelson v. Grisham*, 942 F. Supp. 649, 656 (D.D.C. 1996) (quoting *Hoehling v. Universal City Studios*, 618 F.2d 972, 977 (2d Cir.), *cert. denied*, 449 U.S. 841 (1980)). There is no reason these principles should not apply equally to cases alleging design patent infringement.[7]

---

7. As in the design patent context, the competing works in a case alleging copyright infringement are analyzed for "substantial similarity" from the perspective of the "ordinary observer," although the ultimate test is different from that applied in a design patent case. *Aaron Basha Corp. v. Vollman*, 88 F. Supp.2d 226, 230-31 (S.D.N.Y. 2000) ("In the context of unlawful appropriation, competing works are analyzed for substantial similarity using the 'ordinary observer' test, which asks 'whether an average lay observer would recognize the alleged copy as having been appropriated from the copyrighted work.'") (quoting *Hamil America, Inc. v. GFI*, 193 F.3d 92, 100 (2d Cir. 1999).

### 2. Consumer Confusion Evidence Has Little Probative Value In Proving "Substantial Similarity" Under The *Gorham* Test

Further, a legitimate question exists as to the probative value of consumer confusion evidence (even a properly drawn sample of the population) in proving "substantial similarity" under the *Gorham* test. The problem with evidence of this nature is that the test is an objective one involving the hypothetical ordinary observer. *See Summers*, 191 U.S.P.Q. at 119; *Tecumseh*, 295 F. Supp.2d at 914. As a result, asking an individual purchaser whether he was deceived by the similarity between two designs "is somewhat analogous to asking a person what he might have done under a given set of circumstances in order to establish what a reasonable man would have done" in a negligence case. *Summers,* 191 U.S.P.Q. at 119. The evidence adduced would be neither objective nor hypothetical.

To further complicate matters, the "substantial similarity" test *transcends* the view of the ordinary retail purchaser at the time of purchase. *See Tecumseh*, 295 F. Supp.2d at 915; *Contessa Food Prod., Inc. v. Conagra*, 282 F.3d 1370, 1381 (Fed. Cir. 2002). That is, it is not the view of an ordinary retail purchaser at the time of purchase that is to be considered in applying the test. *Tecumseh,* 295 F. Supp.2d at 914-15; *Contessa*, 282 F.3d at 1381. Rather, the *Gorham* test "applies an objective frame of reference, the hypothetical purchasing decision to be made by an ordinary observer, to all ornamental features visible at any time during the normal use of a product." *Tecumseh,* 295 F. Supp.2d at 914 (omitting emphasis in original). Actual purchasers and survey participants, of course, may or may not consider all ornamental features visible *at any time during the normal use of the product* in making their decisions.

The truth is that "substantial similarity" is simply "not a concept familiar to the public at large." *Warner Bros*, 720 F.2d at 245. It is "a term to be used in a courtroom to strike a delicate balance between the protection to which authors [or inventors] are entitled under an act of Congress and the freedom that exists for all others to create their works outside the area protected against infringement." *Id.* Accordingly, where the lack of substantial similarity is so clear as to fall outside the range of reasonably disputed fact questions, courts can and should render summary judgment to put a swift end to meritless litigation and to avoid lengthy and costly trials.

Such was the case here. The lack of substantial similarity between Minka's simple design and Craftmade's fans was so clear there could be no reasonable dispute. As result, the courts below correctly found summary judgment appropriate, and Minka's Petition should be denied.

## IV.

## CONCLUSION

For the foregoing reasons, the petition for a writ of certiorari should be denied.

Respectfully submitted,

MICHAEL D. PEGUES
*Counsel of Record*
LADAWN H. CONWAY
MUNSCH HARDT KOPF & HARR, P.C.
1445 Ross Avenue, Suite 4000
Dallas, TX 75202
(214) 855-7500

*Attorneys for Respondent*

FILED
AUG 6 - 2004
OFFICE OF THE CLERK

(3)

No. 03-1588

IN THE

# Supreme Court of the United States

MINKA LIGHTING, INC.,

*Petitioner*,

*v.*

CRAFTMADE INTERNATIONAL, INC.,

*Respondent.*

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

## REPLY BRIEF

PATRICK L. O'DANIEL
JENKENS & GILCHRIST,
A PROFESSIONAL CORPORATION
2200 One American Center
600 Congress Avenue
Austin, Texas 78701
(512) 499-3800

JERRY R. SELINGER
*Counsel of Record*
LISA H. MEYERHOFF
SUSAN E. POWLEY
JENKENS & GILCHRIST,
A PROFESSIONAL CORPORATION
1445 Ross Avenue
Suite 3200
Dallas, Texas 75202
(214) 855-4500

*Attorneys for Petitioner*

188980

COUNSEL PRESS
(800) 274-3321 • (800) 359-6859

## STATEMENT PURSUANT TO RULE 29.6

Petitioner's corporate disclosure statement was set forth at page *ii* of its Petition for a Writ of Certiorari, and there are no amendments to that statement.

## TABLE OF CONTENTS


| | Page |
|---|---|
| STATEMENT PURSUANT TO RULE 29.6 ..... | i |
| TABLE OF CONTENTS ..... | ii |
| TABLE OF CITED AUTHORITIES ..... | iii |
| I. Respondent's Belated Argument That Minka's Survey Evidence Is Incompetent Was Not A Basis For Either Decision Below ... | 1 |
| II. Competent Survey Evidence Always Is Probative Of Whether Designs Are "Substantially The Same" In Design Patent Disputes ..... | 2 |
| CONCLUSION ..... | 4 |

## TABLE OF CITED AUTHORITIES

*Page*

**Cases:**

*Gorham v. White*, 81 U.S. (14 Wall) 511 (1871) ... 1, 3

*Warner Bros. Inc. v. American Broadcasting Companies, Inc.*, 720 F.2d 231 (2d Cir. 1983) .. 2

**Other Authorities:**

Handbook of Recommended Procedures for the Trial of Protracted Cases, 25 F.R.D. 351 (1960) ..... 3

Respondent's brief in opposition to the petition for certiorari is based on two faulty premises. First, the lower courts properly could ignore Petitioner Minka's survey evidence because it allegedly was flawed. Second, even competent survey evidence reflecting the collective viewpoint of ordinary purchasers is not sufficiently probative in design patent cases to avoid summary judgment. As demonstrated below, each of the premises is incorrect.

## I.

## RESPONDENT'S BELATED ARGUMENT THAT MINKA'S SURVEY EVIDENCE IS INCOMPETENT WAS NOT A BASIS FOR EITHER DECISION BELOW

The Federal Circuit held that a trial court is free to disregard *competent* empirical evidence that ordinary purchasers consider the accused and patented designs to be substantially the same, the infringement standard articulated in *Gorham v. White*, 81 U.S. (14 Wall) 511, 528 (1871).[1] Respondent seeks to misdirect attention from this actual holding by concocting a laundry list of *alleged* deficiencies in Minka's statistical survey evidence.[2]

Neither lower court discussed those alleged deficiencies, let alone used them as the basis for either of the opinions. Respondent did not raise a *Daubert* challenge, and first questioned the competence of Minka's survey in its summary judgment reply brief, leaving Minka no opportunity to

---

1. *See* Petition for Cert., at 15.

2. *See* Respondent's Opposition, at 8-11.

respond.[3] Not surprisingly under such circumstances, the district court treated Minka's survey evidence as admissible, but determined it could nevertheless rely on its own visual comparison to find non-infringement. [*Minka I*, App. C, at 22a]. The Federal Circuit likewise did not base its decision on any finding that Minka's survey was incompetent or flawed. Rather, the appellate court found no abuse of discretion because "a district court may admit ordinary observer witness testimony to determine substantial similarity, but *is not required to do so*." [*Minka II*, App. A, at 8a] (emphasis added).

Respondent's belated and unfair attack on Minka's statistical survey evidence is a red herring in view of what the courts below actually considered and held. Accordingly, the Court should not deny the petition on this basis.

## II.

## COMPETENT SURVEY EVIDENCE ALWAYS IS PROBATIVE OF WHETHER DESIGNS ARE "SUBSTANTIALLY THE SAME" IN DESIGN PATENT DISPUTES

Respondent also argues that the Court should deny Minka's petition because competent survey evidence showing substantial consumer confusion is not sufficiently probative to raise a triable fact issue of design patent infringement. Here, Respondent (as did the trial court) *inter alia* relies on a Second Circuit decision involving copyright law.[4] Not only

---

3. *Compare* CTAF A366-396 *with* CTAF A489-505.

4. *See* Respondent's Opposition, at 14 (citing *Warner Bros. Inc. v. American Broadcasting Companies, Inc.*, 720 F.2d 231 (2d Cir. 1983)).

did the Federal Circuit decline to use this decision as a basis for its ruling, but this Court has never held, or even suggested, that courts can simply disregard at will competent survey evidence regarding "substantial similarity" or "sameness of design."

Competent survey evidence always is relevant in design patent cases to shed light on whether "ordinary purchasers" would regard the patented and accused designs to be "substantially the same." *Gorham*, 81 U.S. at 528, 530-31. This follows because "ordinary purchasers" are a hypothetical subset with unique viewpoints or knowledge not possessed by the general population. Survey evidence informs the trier-of-fact whether hypothetical ordinary purchasers would consider the designs to be substantially the same. *See generally* Handbook of Recommended Procedures for the Trial of Protracted Cases, 25 F.R.D. 351, 425-31 (1960) (approving surveys).

In *Gorham*, this Court accepted empirical evidence demonstrating two designs were substantially the same. 81 U.S. at 528. Isolated criticism by an inferior court in the different context of copyright law does not constitute repeal of the rule announced in *Gorham*.

## CONCLUSION

Petitioner therefore respectfully requests that the Court grant its Petition for A Writ of Certiorari and reverse the judgment of the Court of Appeals for the Federal Circuit.

Respectfully submitted,

PATRICK L. O'DANIEL
JENKENS & GILCHRIST,
A PROFESSIONAL CORPORATION
2200 One American Center
600 Congress Avenue
Austin, Texas 78701
(512) 499-3800

JERRY R. SELINGER
*Counsel of Record*
LISA H. MEYERHOFF
SUSAN E. POWLEY
JENKENS & GILCHRIST,
A PROFESSIONAL CORPORATION
1445 Ross Avenue
Suite 3200
Dallas, Texas 75202
(214) 855-4500

*Attorneys for Petitioner*

(4)

No. 03-1588

Supreme Court, U.S.
FILED
JUL 26 2004
OFFICE OF THE CLERK

# In the Supreme Court of the United States

MINKA LIGHTING, INC.,

*Petitioner*,

v.

CRAFTMADE INTERNATIONAL, INC.,

*Respondent*.

**On Petition for a Writ of Certiorari to the United States Court of Appeals for the Federal Circuit**

## BRIEF OF *AMICUS CURIAE* INDUSTRIAL DESIGNERS SOCIETY OF AMERICA IN SUPPORT OF PETITIONER

PERRY J. SAIDMAN
*Counsel of Record*
ALLISON SINGH
SAIDMAN **DesignLaw** Group
1110 BONIFANT STREET, SUITE 510
SILVER SPRING, MD 20910
(301) 585-8601

*Counsel for Amicus Curiae*

Becker Gallagher Legal Publishing, Inc.
800.890.5001

## TABLE OF CONTENTS

Interest of the *Amicus Curiae* . . . . . 1

Consent to Filing . . . . . 1

Summary of the Argument . . . . . 2

Reasons for Granting the Petition . . . . . 3

1. This Court held in *Gorham Co. v. White* that the "ordinary observer" test for infringement incorporates a broad interpretation of design patent claims . . . . . 3

2. This Court's decision in *Markman* is forcing courts to narrowly construe design patent claims . . . . . 5

   a. The *Markman* Mandate . . . . . 5

   b. Pre-*Markman* and Post-*Markman* Federal Circuit cases reveal the impact of the *Markman* decision on the *Gorham* "ordinary observer" test . . . . . 7

   c. In the decision below, the Federal Circuit misapplied the "ordinary observer" test and narrowed Petitioner's design patent claim . . . . . 9

   d. District Court decisions reveal that tension between *Gorham* and *Markman* extends beyond the scope of the present case and is dividing the courts . . . . . 13

e. The Jury Problem: How to use the claim construction without reverting to literal infringement ..... 16

3. *Markman* should not apply to design patent cases ..... 17

Conclusion ..... 20

## TABLE OF CITED AUTHORITIES

**Cases:**

*Black & Decker (U.S.) Inc. v. Pro-Tech Power Inc.*,
1998 U.S. Dist. LEXIS 9162, 47 USPQ2d (BNA)
1843 (E.D.V.A. June 2, 1998) ..... 12, 15, 18

*Black & Decker (U.S.) Inc. v. Pro-Tech Power Inc.*,
1998 U.S. Dist. LEXIS 18252, 26 F.Supp2d 834
(E.D.V.A. Nov. 16, 1998) ..... 16

*Braun Inc. v. Dynamics Corp. of America*,
975 F.2d 815, 24 USPQ2d 1121 (Fed. Cir. 1992) ..... 7

*Elmer v. ICC Fabricating, Inc.*,
67 F.3d 1571, 36 USPQ2d 1417 (Fed. Cir.1995) ... 5, 6

*Gorham Co. v. White*,
81 U.S. (14 Wall) 511 (1871) ..... 2, 3, 4, 5

*L.A. Gear Inc. v. Thom McAn Shoe Co.*,
25 USPQ2d 1913, 1919(Fed. Cir. 1993) ..... 2, 7, 9

*Lamps Plus, Inc. v. Dolan*,
2003 U.S. Dist. LEXIS 19578
(N.D. Texas Nov. 3, 2003) ..... 16, 17

*Lee v. Dayton-Hudson*,
5 USPQ2d 1625, 1627 (Fed. Cir. 1988) ..... 2, 7, 9

*Litton Sys., Inc. v. Whirlpool Corp.*,
728 F.2d 1423, 221 USPQ 434 (Fed. Cir. 1984) ..... 2

*Markman v. Westview Instruments, Inc.*,
517 U.S. 370 (1996) ..... 2, 5, 17

*Markman v. Westview Instruments, Inc.*,
52 F.3d 967 (Fed. Cir. 1995) ..... 6, 18

*Minka Lighting, Inc. v. Craftmade Int'l, Inc.*,
2004 U.S. App. LEXIS 770
(Fed. Cir., unpub., 2004) ..... 1, 10, 11

*Minka Lighting, Inc. v. Craftmade Int'l, Inc.*,
2002 U.S. Dist. LEXIS 8693
(N.D. Texas May 15, 2002) ..... 10, 11

*OddzOn Products Inc. v. Just Toys, Inc.*,
122 F.3d 1396, 43 USPQ2d 1641 (Fed. Cir. 1997) .. 7, 8

*Puritan-Bennett Corp. v. Penox Technologies, Inc.*,
2003 U.S. Dist. LEXIS 21822
(S.D. Ind. Dec. 4, 2003) ..... 6-7, 13

*Puritan-Bennett Corp. v. Penox Technologies, Inc.*,
2004 U.S. Dist. LEXIS 6896
(S.D. Ind. March 2, 2004) ..... 14

*Read Corp. v. Portec, Inc.*,
970 F.2d 816, 825 (Fed. Cir. 1992) ..... 12

*Tecumseh Products Co. v. Briggs & Stratton Corp.*,
2003 U.S. Dist. LEXIS 22125
(E.D. Wis. Dec. 5, 2003) ..... 14, 15

**Statutes:**

35 USC §101 ..... 5
35 USC §171 ..... 5

**Regulations:**

Manual of Patent Examining Procedure
(M.P.E.P.) § 1503.01 (May, 2004) ..... 6

## INTEREST OF THE *AMICUS CURIAE*[1]

As the leading organization in the field of industrial design, the Industrial Designers Society of America ("IDSA") and its over 3,300 members are adversely affected by the lower court's decision in *Minka Lighting, Inc. v. Craftmade Int'l, Inc.*, 2004 U.S. App. LEXIS 770 (Fed. Cir., unpub., 2004). The *Minka* decision weakens the ability of industrial designers to enforce their design patents against infringers and facilitates the ease of copying patented designs which threatens the industrial design community as a whole.

According to the Bureau of Labor Statistics, there are presently about 35,000 people who claim to work as industrial designers in the United States.

It is estimated that IDSA members are named in over 15,000 design patents. The breadth of protection afforded to these patents is of great concern to the IDSA, which has led it to step forward and address the threat posed to its members through the *Minka* decision.

## CONSENT TO FILING

In accordance with Supreme Court Rule 37.2(a), IDSA has obtained written consent to the filing of this *amicus curiae* brief from the counsel of record for all parties. The letters of consent have been filed separately with the Clerk of the Court.

---

[1] Pursuant to Supreme Court Rule 37.6, *amicus curiae* states that this brief was not authored, in whole or in part, by counsel to any party, and that no monetary contribution to the preparation or submission of this brief was made by any person or entity other than the *amicus curiae* or its counsel.

## SUMMARY OF THE ARGUMENT

The decision below reveals the dilemma that has faced members of the design community since 1996 when the Court decided *Markman v. Westview Instruments, Inc.*, 517 U.S. 370 (1996). The first and foremost test for design patent infringement has always been the "ordinary observer" test set forth in this Court's 1871 decision *Gorham Co. v. White*, 81 U.S. (14 Wall) 511 (1871).[2] By instructing courts to adopt the view of the "ordinary observer," not an expert, when visually comparing the design illustrated in a design patent with an accused design, the *Gorham* test incorporates a broad view of design patent claims. *See id.* at 528. Since *Markman*, however, courts have been required as a matter of law to determine the meaning and scope of patent claims. In the context of design patents, courts have been forced to express the visual images of design patent drawings in words, i.e., to verbalize the designs. Consequently, instead of comparing the *actual* design shown in the patent drawings with the accused design,[3] courts and juries are increasingly comparing the latter

---

[2] After the *Gorham* test is satisfied, the second or "point of novelty" test for design patent infringement must also be satisfied in order for infringement to be found, namely, "the accused device must appropriate the novelty in the patented device which distinguishes it from the prior art." *Litton Sys., Inc. v. Whirlpool Corp.*, 728 F.2d 1423, 221 USPQ 434 (Fed. Cir. 1984).

[3] Courts have long held that infringement is determined by a comparison of the design patent drawings and the accused product, unless the product sold by the patentee is substantially the same as that shown in the patent drawings, in which case the patentee's product can be compared with the accused product. *See L.A. Gear Inc. v. Thom McAn Shoe Co.*, 25 USPQ2d 1913, 1919 (Fed. Cir. 1993); *See also Lee v. Dayton-Hudson*, 5 USPQ2d 1625, 1627 (Fed. Cir. 1988).

with the *Markman*-mandated *verbalization* of the claimed design. This comparison has resulted in an unintended but deadly literal test for design patent infringement, in which courts determine whether the accused design has all of the elements verbalized in the *Markman* claim construction. Such a narrow view of design patents leaves no room for the perspective of the "ordinary observer" or for the equivalents within the purview of an ordinary observer.

If the Court's intent in *Markman* (a utility patent case) was to overrule the long-standing *Gorham* "ordinary observer" test for design patent infringement, this must be explicitly stated. If overruling *Gorham* was not the Court's intent, then lower courts are misapplying *Markman* in the design patent context and the Court should correct this by clarifying that *Markman* does not apply to design patent claims, i.e., a court should not waste its time verbalizing an illustrated design.

If the Court fails to act, the "ordinary observer" test of *Gorham* will continue to die a slow death, as is evidenced by the decision below, leaving in its wake designers unable to rely on their design patent claims for protection against infringers and courts wasting enormous resources in the futile struggle to verbalize visual designs.

## REASONS FOR GRANTING THE PETITION

### 1. This Court held in *Gorham Co. v. White* that the "ordinary observer" test for infringement incorporates a broad interpretation of design patent claims.

In 1871, the Supreme Court established the following test for design patent infringement in *Gorham Co. v. White*:

We hold therefore, that if, in the eye of an ordinary

> observer, giving such attention as a purchaser usually gives, two designs are substantially the same, if the resemblance is such as to deceive such an ordinary observer, inducing him to purchase one supposing it to be the other, the first one patented is infringed by the other. 81 U.S. at 528.

The patented and accused designs in *Gorham* were both silverware handle designs, as can be seen in App. 1a. The defendant, White, relied upon the testimony of numerous expert witnesses to establish the differences between the two designs, but ultimately this testimony fell on deaf ears.

According to the Court, if design patent infringement was judged through the eyes of an expert designer "there could never be piracy of a patented design, for human ingenuity has never yet produced a design, in all its details, exactly like another, so like, that an expert could not distinguish them." *Id.* at 527. Therefore, the Court reasoned that a design patent would be meaningless because no matter how similar two designs are, experts with a high degree of discernment will see differences in the designs that ordinary people will not. Fortunately, the Court saved designers from such a fate by determining that infringement was to be judged from the perspective of an ordinary observer, not an expert.

The "ordinary observer" test includes a test for equivalents, since it was understood that literal design patent infringement almost never happens. The Court defined identity of design as "sameness of appearance." *See id.* at 526. This concept of sameness allowed for equivalents, for as the Court explained "mere difference of lines in the drawing or sketch, a greater or smaller number of lines, or slight variances in configuration, if sufficient to change the effect on the eye, *will not destroy the substantial identity* [between the two designs]." *Id.* at 526-7.

Here is how the court framed the doctrine of equivalents for designs: "Is the adornment in the White design used instrumentally to produce an appearance, a distinct device, or does it work the same result in the same way, and is it, therefore, a colorable evasion of the prior patent, amounting at most to a mere equivalent?" *Id.* at 530.

Although still the law of the land, the effect, purpose and intent of *Gorham* has been significantly eroded by the decision below, and others like it, that require verbalization of the meaning of a design patent claim before applying the *Gorham* infringement test.

## 2. This Court's decision in *Markman* is forcing courts to narrowly construe design patent claims.

### a. The *Markman* Mandate

In 1996, the Court decided *Markman v. Westview Instruments, Inc.*, 517 U.S. 370 (1996), which required courts to interpret the meaning and scope of patent claims as a matter of law before applying the test for infringement. The focus of *Markman* was the language in the claims of a *utility* patent,[4] specifically, the meaning of the word "inventory". Design patents were neither involved nor discussed in *Markman*.

Although *Markman* did not speak to design patents, the Federal Circuit in *Elmer v. ICC Fabricating, Inc.*, 67 F.3d 1571, 36 USPQ2d 1417 (Fed. Cir. 1995), improvidently

---

[4] Essentially, a utility patent protects the way a product functions without regard to how it looks, while a design patent protects the way a product looks without regard to how it functions. 35 USC § 101; 35 USC § 171.

extended the *Markman* rule to design patents by stating the following two-part test for design patent infringement:

> "Determining whether a design patent claim has been infringed requires, first, as with utility patents, that the claim be properly construed to determine its meaning and scope. (citing *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 976 (Fed. Cir. 1995)). Second, the claim as properly construed must be compared to the accused design to determine whether there has been infringement." *Elmer*, 36 USPQ2d at 1420.[5]

This created a conundrum: each design patent has but a single claim that appears in a standard format and refers to the design "as shown" in the design patent drawings.[6] There is never language in the design patent claim itself that requires interpretation. Since it is settled law that the claimed design is manifested in the design patent drawings,[7] the Federal Circuit found it necessary to require lower courts to render *Markman* determinations of design patents by putting into words the visual appearance of the designs shown in the patent's drawings, i.e., by verbalizing the designs. As is evident from the decision below and case law to be discussed herein, the requirement for converting visual images into words not only wastes enormous court resources[8], but more importantly has

---

[5] *Elmer* relied upon the Federal Circuit *Markman* decision of 1995, not the 1996 Supreme Court decision affirming the Federal Circuit's ruling.

[6] The single claim in the decision below is "The ornamental design for a combined ceiling fan and light, as shown."

[7] Manual of Patent Examining Procedure (M.P.E.P), §1503.01 [May, 2004].

[8] In *Puritan-Bennett Corp. v. Penox Technologies, Inc.*, discussed later in this brief, the district court devoted fifteen pages to determining the verbalization of the claimed design. 2003 US Dist.

eviscerated the *Gorham* test that relies upon a comparison, from the perspective of the "ordinary observer," of the accused design with the design shown in the patent drawings.[9]

**b. Pre-*Markman* and Post-*Markman* Federal Circuit cases reveal the impact of the *Markman* decision on the *Gorham* "ordinary observer" test.**

The impact of *Markman* on design patent infringement is most evident from a comparison of two decisions from the Court of Appeals for the Federal Circuit: the pre-*Markman* decision in *Braun Inc. v. Dynamics Corp. of America*, 975 F.2d 815, 24 USPQ2d 1121 (Fed. Cir. 1992), and the post-*Markman* decision in *OddzOn Products, Inc. v. Just Toys, Inc.*, 122 F.3d 1396, 43 USPQ2d 1641 (Fed. Cir. 1997). In both cases, the patented design and accused designs were much closer to each other in appearance than either design was to the prior art, as is evident from Apps. 2a and 3a.

In *Braun*, the Federal Circuit acknowledged this closeness stating: "...in contrast to pre-existing [prior art] hand held blenders, which had a utilitarian, mechanical appearance, both Waring's blender and Braun's blender share a fluid, ornamental, aerodynamic overall design." *Braun*, 24 USPQ2d at 1125. Despite the differences between the Braun and Waring designs, evident from App. 2a (most notably the handle indentation present in the Braun blender and absent from the Waring blender), the court affirmed a jury finding of infringement under *Gorham*.

---

LEXIS 21822, *17-32 (S.D.Ind. 2003).

[9] *See L.A. Gear*, 25 USPQ2d 1913 and *Lee*, 5 USPQ2d 1625, discussed above in note 3.

In contrast to *Braun*, the Federal Circuit in a post-*Markman* case affirmed a lower court finding of non-infringement in *OddzOn*, although the two designs were, again, much closer to each other than either was to the prior art, as can be seen from App. 3a. The Federal Circuit affirmed the district court's *Markman*-mandated verbalized "claim construction" which read as follows:

> "...a ball shaped like a football, with a slender, straight tailshaft projecting from the rear of the football. In addition, the '001 Patent design has three fins symmetrically arranged around *the tailshaft*, each of which has a *gentle curve* up and outward which creates a fin with a larger surface area at the end furthest from the ball. The fins flare outwardly along the entire length of the tailshaft, with the front end of the fin extending slightly up along the side of the football so that the fins *seemingly protrude from the inside of the football*." *OddzOn*, 43 USPQ2d at 1643 (emphasis added).

It was not difficult for the district court to grant defendant's motion for summary judgment based on its view that this *Markman* claim construction did not read onto the accused design due to minor differences between the two designs that, not concidentally, were part of the "claim construction" (e.g., the absence in the accused design of the gentle curve on the tailshaft, and the seeming protrusion of the fins from inside the football). Although the Federal Circuit quoted the *Gorham* test in its affirmance of the district court decision, its reliance on the lower court's claim construction prevented it from visually comparing the designs, as has long been traditionally

mandated by *Gorham*.[10]

The *OddzOn* case is a clear example of how the *Markman* "claim construction" requirement has the unintended effect of removing the question of design patent infringement from the jury and encouraging courts to engage in literal infringement analysis by ignoring the possibility of equivalents under *Gorham*. Based on App. 3a, it is easy to appreciate that the accused design is much closer to the claimed design than either is to the prior art, which should have resulted in a broader scope of protection than was found by the court. Had the fact-finder been able to do its proper job, visually determining whether the two designs were substantially the same in the eyes of an ordinary observer without any preconceived verbalized claim construction, it is quite possible that it would have returned a verdict of infringement, given the closeness in overall appearance of the two designs, and the striking contrast of both when compared to the prior art as in *Braun*.

On the other hand, it is equally clear that had the lower court in *Braun* been required to engage in "claim construction", it would very likely have verbalized the handle indentation of the design as part of the claimed design. The jury would then have been instructed that the scope of the design patent includes an indented handle as a matter of law, which in turn would have led to a finding of non-infringement. Obviously, this would have eviscerated the *Gorham* test, an unintended result of applying *Markman* to design patents.

**c. In the decision below, the Federal Circuit misapplied the "ordinary observer" test and narrowed Petitioner's design patent claim.**

---

[10] *See L.A. Gear*, 25 USPQ2d 1913 and *Lee*, 5 USPQ2d 1625, discussed above in note 3.

In *dicta*, the decision below suggested that courts are still actually applying the *Gorham* test, instead of simply citing it. However, the court's ultimate decision reflected that it did not accurately apply the *Gorham* test. *Minka Lighting, Inc. v. Craftmade Int'l., Inc.*, 2004 U.S. App. LEXIS 770 (Fed. Cir., unpub., 2004). This case reached the Federal Circuit after the district court in Dallas granted summary judgment of non-infringement based on relatively minor differences between a patented ceiling fan design and the accused design[11] presented in App. 4a.

Before analyzing the Federal Circuit decision, it is necessary to take a look at the district court's *Markman* claim construction for the design patent drawings because it is this verbalized design that determined the ultimate outcome of non-infringement and represents the underlying problem that this Court must address. Although the district court claimed to base its decision on a "visual comparison" of the fan designs, and the Federal Circuit upheld the court's right to do so, the fact remains that the district court did not engage in a "visual comparison" of the designs. *See Minka Lighting, Inc. v. Craftmade Int'l., Inc.*, 2002 U.S. Dist. LEXIS 8693, *13 (N.D. Texas May 15, 2002). Rather, the court compared the *Markman*-mandated verbalization of the design patent drawings with the accused design. *See id.* If the district court had not been forced to verbalize the design patent drawings, it would not likely have viewed Petitioner's patent claim so narrowly or returned a judgment based essentially on unheard of literal design patent infringement.

The district court's claim construction for the design patent

---

[11] The Solo fan is one of the two accused devices found non-infringing in this case.

not only displays the waste of resources devoted to verbalizing design patent drawings, but also reveals the court's misreading of *Gorham.*[12] In its visual comparison of the designs and eventual finding of non-infringement, the district court quoted *verbatim* from the design elements it had just verbalized in its *Markman* claim construction. For example, the court found that the blades in the accused fan design did not create the same "sweeping curve" as the Petitioner's blades, did not have the "elongated football-shaped cut outs" or the "gently receding arc in front of each bracket arm's leading edge [which] runs from the tip of each arm to the middle of the smooth transition" that was "contemplated" by Petitioner's design. *Id.* at *13. This form of detailed comparison based on the verbalized design is clearly not a comparison through the eyes of the "ordinary observer" as mandated by *Gorham.*

In reviewing the district court's decision, the Federal Circuit correctly emphasized that the focus of the infringement analysis is a visual comparison between the design patent drawings and the accused design, but did not call the district court to task for failing to make just such a comparison. The Federal Circuit sounded an encouraging note for the "ordinary observer test" when it wrote that "a verbal description of the drawings does not necessarily aid such a comparison." 2004 U.S. App. LEXIS 770, at *4. It then went on, however, to say that there are some instances when an "extensive verbal claim construction" could be of some use. *See id.* Examples of this include when "the drawings contain features that are not part of the patented design, e.g. if the drawings contain functional features or if there is a point of novelty to consider." *Id.*

---

[12] For a detailed description of the court's verbalized claim construction, see *Minka,* 2002 U.S. Dist. LEXIS 8693 at *7-9.

Indeed, if all a court did in response to *Markman* was to either identify functional features[13] and/or the point of novelty,[14] the verbalization might be of some use in the case. But by and large that is not what is actually happening, as is evident below, and at least one court has flatly stated that identification of functional features and the point of novelty are questions of fact for the jury.[15]

The fans at issue in *Minka* are no more visually different from each other than the silverware in *Gorham* or the blenders in *Braun*, yet the decision below is one of non-infringement. The only thing that has changed over time is the misguided verbalization requirement imposed by *Markman*. It is not surprising that Petitioner is arguing for the allowance of empirical evidence representing the opinions of ordinary purchasers – such a request can be viewed as an attempt to revive the "ordinary observer" standard that has been silenced by the verbalization requirement of *Markman*. The allowance of empirical evidence, although perhaps helpful, will not necessarily solve the underlying problem. The compelling solution is to release courts from the obligation of verbalizing design patent claims under *Markman* so that the ultimate "visual comparison" mandated by Gorham actually reflects the view of the "ordinary observer" and includes equivalents.

---

[13] "If...a design contains both functional and ornamental features, the patentee must show that the perceived similarity is based on the ornamental features of the design." *Read Corp. v. Portec, Inc.*, 970 F.2d 816, 825 (Fed. Cir. 1992).

[14] The "point of novelty" of the patented design must be found in the accused design to satisfy the second step of design patent infringement. See footnote 2.

[15] *See Black & Decker Inc. v. Pro-Tech Power Inc.*, 1998 U.S. Dist. LEXIS 9162, 47 USPQ2d (BNA) 1843 (E.D.V.A. June 2, 1998), discussed below.

**d. District Court decisions reveal that tension between *Gorham* and *Markman* extends beyond the scope of the present case and is dividing the courts.**

Three examples from district courts show how the tendency to ignore *Gorham* is not just limited to the Federal Circuit or to the decision below. In addition, at least one district court has eloquently expressed the inapplicability of *Markman* to design patent cases, indicating a genuine division amongst the courts on how to handle the conflict between *Gorham* and *Markman*.

In *Puritan-Bennett Corp. v. Penox Technologies, Inc.*, 2003 U.S. Dist. LEXIS 21822 (S.D. Ind. Dec. 4, 2003) the District Court of the Southern District of Indiana verbalized the claim represented by the design patent drawings for a portable gas dispenser, as seen in Apps. 5a and 6a.

The district court's claim construction, while detailed and verbose (itself taking up almost three pages in the decision), resulted in a fairly narrow verbalization of the claimed design. For example, the court identified in Figure 3 of the design patent what it called "the most striking feature" of the patented design, namely, "a center Roman arch...at the top and center of which sites a rather large dial. In addition, a rather thick, squared, solid handle...forms a rectangular arch over the center Roman arch...The rather large dial...has a center hour-glassed shaped flange...[There is a] column of horizontal vents [on two] partial arches." *Id.* at *29. As for the bottom view represented in Figure 8 of the design patent, the court noted "the footprint of the design...is shaped like [the] profile of a Volkswagen Beetle or 'Bug.'" *Id.* at *30.

It is no surprise that after articulating such a detailed list of design features contained in the patent drawings, the court was able to point to differences between its detailed list and the

accused design, as seen in Apps. 5a and 6a.

Although the court cited the *Gorham* test to support the statement that designs "need not be identical to find infringement," it still subsequently issued a finding of non-infringement for two designs that appear at least as similar as the designs in *Gorham*. *Puritan-Bennett Corp. v. Penox Technologies, Inc.*, 2004 U.S. Dist. LEXIS 6896, *59 (S.D. Ind. March 2, 2004). In granting the defendant's motion for summary judgment of non-infringement, the court found "stark" differences between the accused design and the patented design "as depicted in the drawings *and construed by the court.*" *Id.* at *71 (emphasis added). As in *Minka*, the court quoted at length from its own verbalized claim construction and checked to see if the accused design had the elements included in the verbalization – hardly a "visual comparison" under the "ordinary observer" test of *Gorham*. See *id.* at *71-73. A true visual comparison suggests that the differences between the designs are not in fact "stark" as the court observed, but could indeed fall within the range of equivalents allowed by *Gorham*. This case is further evidence that the venerated *Gorham* test is under attack.

Likewise, in *Tecumseh Products Co. v. Briggs & Stratton Corp.*, 2003 U.S. Dist. LEXIS 22125 (E.D. Wis. Dec. 5, 2003), a district court's *Markman* ruling restricted the scope of the design patent to the solid line details shown in the patent drawings. After verbalizing in detail such solid line ornamental features found in the patented design, the court then embarked on what it called "the second step of the patent infringement analysis, i.e., *compare the construed claim to the accused device... under the 'ordinary observer' test.*" *Id.* at *14 (emphasis added). However, a comparison between the "construed claim" and the accused design is <u>not</u> the "ordinary observer" test, but rather a narrow test for unheard of literal

design patent infringement, the harmful effects of which are evident from the court's decision. The court concluded that "precisely-drawn ornamental features of the various external components [of the patent] *must be considered in determining whether a reasonable trier of fact...could find the Aero's overall appearance to be substantially similar to the patented design.*" *Id.* at *37 (emphasis added). This is a direct example of a court improperly using the verbalized *Markman* determination in the infringement analysis, which is supposed to be determined through the eyes of an "ordinary observer" rather than the court.

Further evidence that the "ordinary observer" test was not used in *Tecumseh* is found in a comparison of the patented design and the accused design, as can be seen in App. 7a. When viewed in light of *Gorham Co. v. White*, the similarity in appearance between the two designs above certainly presents a triable issue of fact. Unfortunately, the court's vision was so restricted by the verbalization requirement of *Markman* that it could not see the similarity that is apparent to even the most ordinary of observers.

One district court has refused to verbalize design patent drawings and suggests that *Markman* does not apply in the design context. *Black & Decker (U.S.) Inc. v. Pro-Tech Power Inc.*, 1998 U.S. Dist. LEXIS 9162, at *7, 47 USPQ2d (BNA) 1843, 1845 (E.D.V.A. June 2, 1998). In *Black & Decker,* the district court agreed with the patent holder's argument that "the [patent] illustration is its own best description" and found that the scope of the patent was its "'overall ornamental visual impression' as shown in the six orthogonal drawings." *See id., See id.* at *17. In addition, the court refused to determine the functional features or the "point of novelty" embodied in the design patent drawings, leaving these questions for the jury. In its final ruling, the court restated the scope of the design

patent as the "'overall visual impression' created by the drawings" and issued a finding of infringement. *Black & Decker (U.S.) Inc. v. Pro-Tech Power Inc.*, 1998 U.S. Dist. LEXIS 18252, at *58 (E.D.V.A. Nov. 16, 1998). The court's interpretation of *Markman* is discussed later in this brief, but the case is mentioned here to show that there exists a dissenting voice amongst the district courts regarding the proper role of *Markman* in design patent cases.

**e. The Jury Problem: How to use the claim construction without reverting to literal infringement.**

Not only is the *Markman* ruling problematic in that it encourages courts to narrowly interpret a design patent claim, but it also places these claim verbalizations before a jury that may have no other choice but to consult them in determining infringement. The jury thus returns a decision based on literal infringement without even realizing it. The question of how the jury should handle court ordered claim constructions was somewhat confusingly addressed by the North District of Texas in *Lamps Plus, Inc. v. Dolan,* 2003 U.S. Dist. LEXIS 19578 (N.D. Texas 2003).

In *Lamps Plus*, the court correctly identified its role in design patent claim construction, but was confused in its explanation of how the jury should handle the verbalization information. According to the court, its role in claim construction, as mandated by the Federal Circuit, is "to provide a description that evokes the visual appearance of the ornamental features of a patented design." *Id.* at *12 (quoting *Minka*, 2001 U.S. Dist. LEXIS 14199, at *19). The court appeared to be on the right track when it stated that such description should "*assist* the jury in its task of comparing the design patent with the accused product, but not *require* the jury

to compare the Court's description to the accused product." *Id.* (emphasis added). However, the court left unexplained just how it expected the jury to consult the verbalized claim construction but not use it to read onto the accused design, especially when the court said that the verbalized claim construction "is sufficient to assist the jury in understanding the *legal effect* of the patented design." *Id.* at *12-13. There is no escaping the conclusion that this *legal effect* results in a literal "picture" claim, virtually eliminating equivalents and banishing Gorham to the dust bin.

### 3. Markman should not apply to design patent cases.

*Markman* determinations should not be required in the design patent context. While the harm *Markman* has caused to the venerated *Gorham* test is one reason for this, the rationale underlying the *Markman* decision provides yet another strong argument for restricting the case to the non-design patent world from which it came.

The most obvious indicator that *Markman* should not apply to design patent claims is that the decision was only concerned with interpreting the text of utility patent claims. In fact, the proper definition of one word used in the patent claims, "inventory," was central to the decision. This scenario would never appear in the design patent context. The Supreme Court noted that victory in an infringement suit "necessitates a determination of 'what the *words* in the claim mean.'" *Markman*, 517 U.S. at 374 (citation omitted). While true enough for utility patent infringement, before *Markman* this statement was never true for design patent infringement. It is not true now.

After establishing the importance of textual interpretation in utility patent infringement, the Court next placed this task

squarely at the feet of the courts, not the jury. The reasoning behind this act was simple, as set forth in the Federal Circuit decision in *Markman*: "it has long been and continues to be a fundamental principle of American law that 'the construction of written evidence is exclusively with the court.'" *Markman*, 52 F.3d at 978 (citations omitted).

While giving courts the role of interpreting utility patent claims may make sense when claims consist of words, this logic does not apply to design patent claims, which by definition simply refer to the design as shown in the patent drawings. This inconsistent logic has not gone unnoticed by the federal bench. One district court decision cogently observed that "the rationale behind the decision in *Markman* simply does not apply to making determinations regarding functionality or 'points of novelty' in the design patent context. Because design patents consist of pictures, and not words, the Court's experience with 'document construction' and 'standard construction rules' regarding terms contained in a document, are not of help in the design patent context."[16] *Black & Decker*, 1998 U.S. Dist. LEXIS 9162, at *9-10.

The emphasis on public notice and the danger of a "zone of uncertainty" expressed by the Supreme Court in *Markman* is also inapplicable to design patents. Granted, the public needs to know the scope of a patent in order to avoid infringing activities, but what better notice is there than the actual drawings of the patented design? When an enterprising designer checks to see whether her design infringes an existing

---

[16] In addition to refusing to verbalize the design patent claim, the court in *Black & Decker* also refrained from determining the functional elements and points of novelty of the claimed design, stating that these questions of fact properly belonged to the jury. *See id.* at *17.

design patent, all that is necessary is for her to look at drawings of the patented design. This is in contrast to an inventor, who must understand the function and structure of the invention covered by a utility patent, which can only be represented by words that are inevitably capable of various meanings.

If there was uncertainty as to the scope of design patents before *Markman*, asking courts to verbalize a design patent claim does not bring clarity to this issue. Even the most verbose of courts cannot possibly do justice to a single design image, for as the saying goes, "a picture is worth a thousand words." Once a court begins to verbalize a design it sacrifices the visual appearance of the design patent as found in the drawings for one of a multitude of possible verbal interpretations of the drawings. It is undeniable that no two courts would chose the same words to verbalize a design, especially given the fact that courts often use subjective, aesthetic terms to describe the designs. Considering the Supreme Court's concern in *Markman* about uncertainty surrounding the scope of patent claims, it seems illogical for the Court to encourage more uncertainty by requiring courts to verbalize design patent claims, especially when the clarity they seek is visually before the courts in the design patent drawings. *Markman* would be better served if it directed courts to simply view the design patent drawings, rather than usurp them.

The task of verbalizing a design patent claim is at best redundant (why tell the eye what it sees?) and at worst impossible (can words truly capture a visual impression?), but either way it is clearly a waste of judicial resources and a distraction from more important matters facing the courts.

## CONCLUSION

Markman as applied to design patents is encouraging courts to abandon *Gorham Co. v. White* along with its "ordinary observer" test and doctrine of equivalents. Also being left behind is any possibility of reasonable design patent claim scope embodied in the *Gorham* decision and pre-*Markman* cases such as *Braun*. The decision below is a clear example of the patent holder's struggle, either through empirical evidence or other means, to uphold the *Gorham* test by reinserting the view of the "ordinary observer" back into the infringement equation. Design patent holders should not be forced to adopt such measures. The Court can clear the path for the reemergence of the "ordinary observer" and reasonable design patent equivalents by removing the obstacle posed by *Markman*. Doing so will also end the waste of resources that lower courts are putting into the futile enterprise of determining the "meaning" of a visual design patent claim.

Furthermore, *Markman* never should have been applied to design patent cases, as is evident from the problems the decision has caused in the field of design patent law. The differences between design and utility patents are often overlooked, and unfortunately the Supreme Court and Federal Circuit fell prey to this in both *Markman* decisions. Since it now appears that these decisions have placed the breadth of patent rights afforded to design patent holders at risk, and has mortally wounded the 1871 *Gorham* case, it is time for the Court to acknowledge that a *design* patent is different from a *utility* patent, and finally relieve design patent owners from the stranglehold of *Markman*.

For the reasons set forth in this *amicus curiae* brief, the IDSA respectfully urges the Supreme Court grant the Petition for a Writ of *Certiorari*.

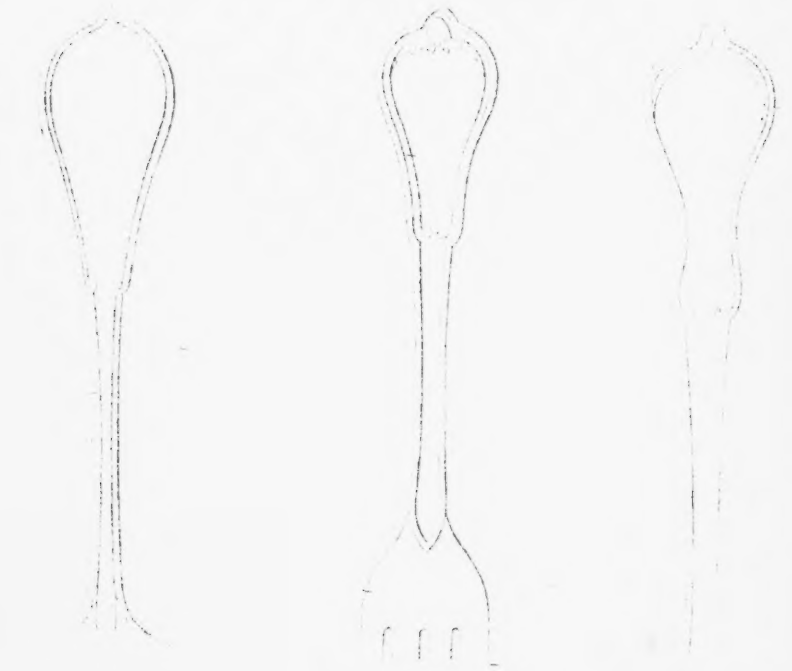
Respectfully submitted,

Perry J. Saidman
Allison Singh
SAIDMAN **DesignLaw** Group
1110 Bonifant Street, Suite 510
Silver Spring, MD 20910
(301) 585-8601

July 26, 2004

Counsel for *Amicus Curiae*

**Appendix 1a**

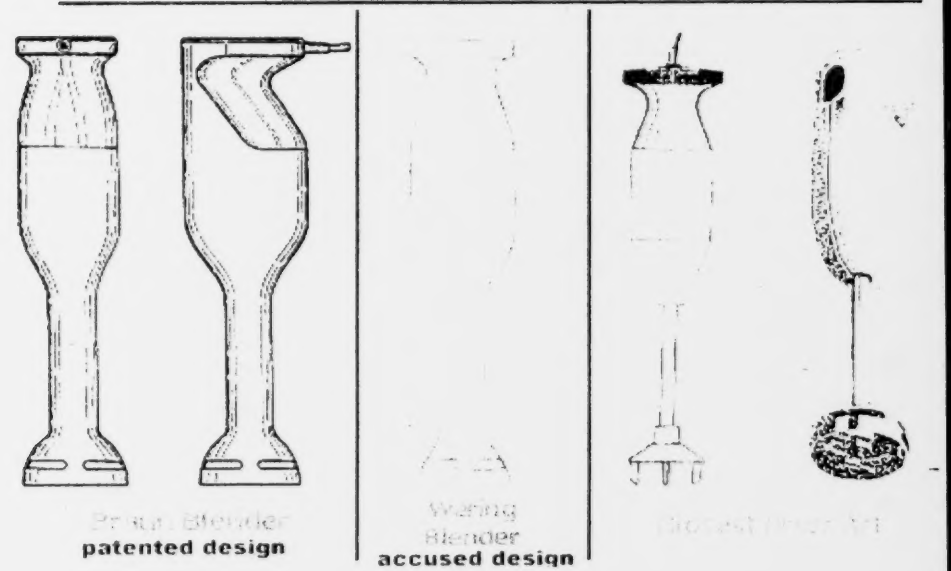


Patented Design | White 1867 accused design | White 1868 accused design

GORHAM PATENTED DESIGN AND WHITE'S ACCUSED DESIGNS
(LEFT TO RIGHT)

**Holding: INFRINGEMENT**

**Appendix 2a**

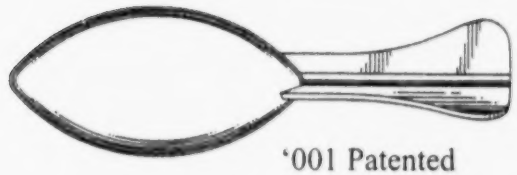



BRAUN PATENTED DESIGN, WARING ACCUSED DESIGN AND CLOSEST PRIOR ART (LEFT TO RIGHT)

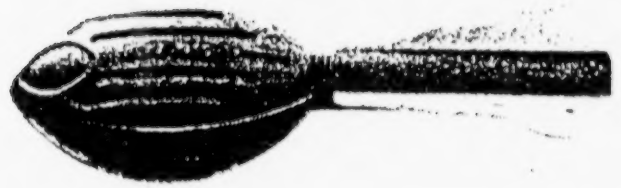
**Pre-*Markman* Holding:**
**INFRINGEMENT**

BEST AVAILABLE COPY

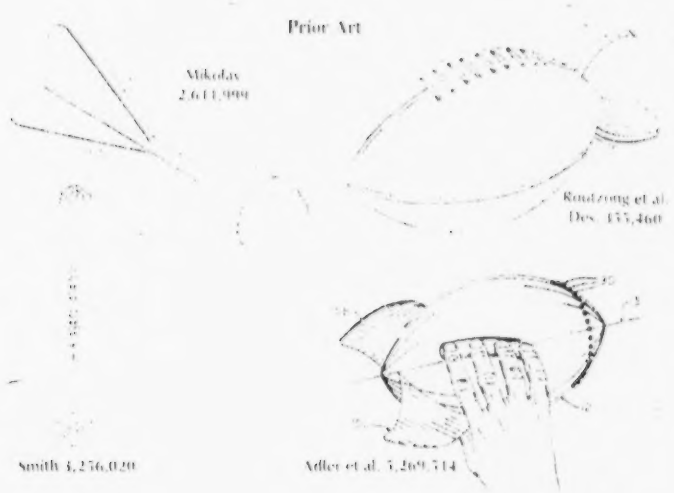
**Appendix 3a**



'001 Patented Design



Accused Design

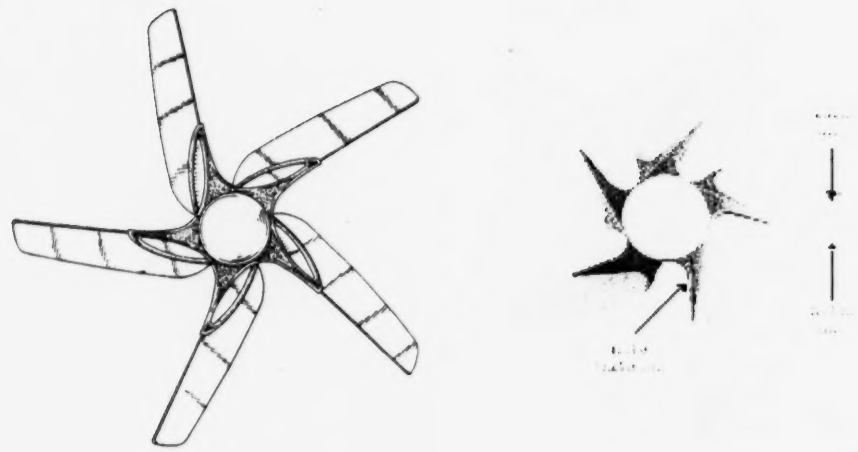



Prior Art

ODDZON PATENTED DESIGN, ACCUSED DESIGN AND CLOSEST PRIOR ART (TOP TO BOTTOM)

## Post-*Markman* Holding: NON-INFRINGEMENT

**Appendix 4a**

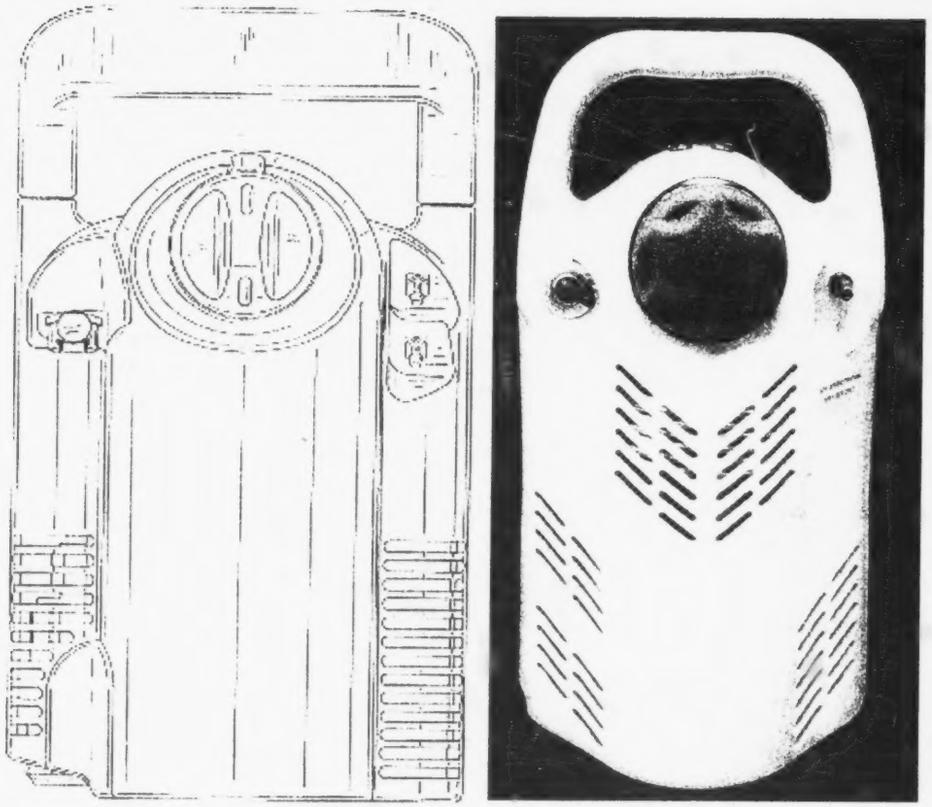


'539 PATENTED DESIGN AND ACCUSED DESIGN (SOLO FAN)
(LEFT TO RIGHT)

**Holding: NON-INFRINGEMENT**

**Appendix 5a**

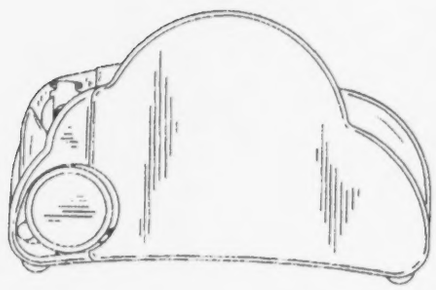
FIG. 3

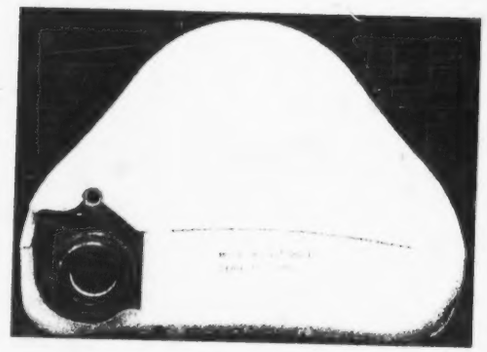


PATENTED DESIGN (FIG 3) AND FRONT VIEW OF ACCUSED DESIGN (LEFT TO RIGHT)

**Holding: NON-INFRINGEMENT**

FIG. 8

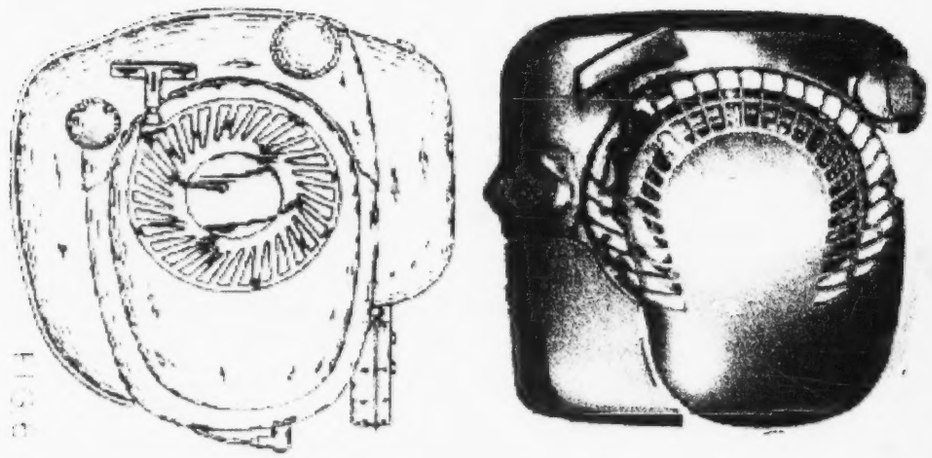




PATENTED DESIGN (FIG. 8) AND BOTTOM VIEW OF ACCUSED DESIGN (LEFT TO RIGHT)

**Holding: NON-INFRINGEMENT**

**Appendix 7a**



PATENTED DESIGN AND ACCUSED DESIGN
(LEFT TO RIGHT)

**Holding: NON-INFRINGEMENT**